

**Department of Social Services
MO HealthNet Division**

Fiscal Year 2017 Budget Request

Brian Kinkade, Director

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Mo HealthNet Division

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Department Request Summary

**DEPARTMENT OF SOCIAL SERVICES
FISCAL YEAR 2017 SAM SECTION SUMMARY:**

H.B. Sec.	Rank	Decision Item Name	2017 Department Request				
			FTE	GR	FF	OF	Total
11.400		MO HealthNet Administration					
	1	Core	234.11	3,314,623	8,729,678	2,403,499	14,447,800
	21	NDI-Statewide Mgd Care Transition	15.00	850,986	850,986	0	1,701,972
		<i>Total</i>	249.11	4,165,609	9,580,664	2,403,499	16,149,772
11.405		Clinical Services Program Management					
	1	Core	0.00	461,917	12,214,032	2,485,506	15,161,455
		<i>Total</i>	0.00	461,917	12,214,032	2,485,506	15,161,455
11.410		Women & Minority Health Care Outreach					
	1	Core	0.00	529,796	568,625	0	1,098,421
		<i>Total</i>	0.00	529,796	568,625	0	1,098,421
11.415		TPL Contracts					
	1	Core	0.00	0	3,000,000	3,000,000	6,000,000
		<i>Total</i>	0.00	0	3,000,000	3,000,000	6,000,000
11.420		Information Systems					
	1	Core	0.00	7,386,283	55,400,350	2,021,687	64,808,320
	14	NDI-Sustaining MMIS Infrastructure	0.00	4,250,000	12,750,000	0	17,000,000
		<i>Total</i>	0.00	11,636,283	68,150,350	2,021,687	81,808,320
11.425		Electronic Health Records Incentives					
	1	Core	0.00	0	60,000,000	0	60,000,000
		<i>Total</i>	0.00	0	60,000,000	0	60,000,000
11.430		Money Follows the Person					
	1	Core	0.00	0	532,549	0	532,549
		<i>Total</i>	0.00	0	532,549	0	532,549
		Adult Medicaid Grant					
	1	Core	0.00	0	0	0	0
		<i>Total</i>	0.00	0	0	0	0

**DEPARTMENT OF SOCIAL SERVICES
FISCAL YEAR 2017 SAM SECTION SUMMARY:**

H.B. Sec.	Rank	Decision Item Name	2017 Department Request				
			FTE	GR	FF	OF	Total
11.435		Pharmacy					
	1	Core	0.00	87,343,166	744,734,952	347,134,002	1,179,212,120
	6	NDI-MHD FY17 Cost to Continue	0.00	60,461,570	75,643,117	0	136,104,687
	10	NDI-Pharmacy PMPM-Speciality	0.00	49,408,468	85,303,935	0	134,712,403
	11	NDI-Pharmacy PMPM-Non-Speciality	0.00	11,742,036	20,272,677	0	32,014,713
	22	NDI-ABLE Accounts	0.00	1,095,174	2,864,884	564,181	4,524,239
		Total	0.00	210,050,414	928,819,565	347,698,183	1,486,568,162
11.435		Pharmacy - Medicare Part D Clawback					
	1	Core	0.00	177,600,212	0	0	177,600,212
	6	NDI-MHD FY17 Cost to Continue	0.00	15,557,082	0	0	15,557,082
	15	NDI-Clawback Increase	0.00	18,073,510	0	0	18,073,510
		Total	0.00	211,230,804	0	0	211,230,804
11.435		Missouri Rx Plan					
	1	Core	0.00	17,003,822	0	4,655,326	21,659,148
	9	NDI-MO Rx GR Pickup	0.00	2,327,099	0	0	2,327,099
		Total	0.00	19,330,921	0	4,655,326	23,986,247
11.440		Pharmacy FRA					
	1	Core	0.00	0	0	108,308,926	108,308,926
		Total	0.00	0	0	108,308,926	108,308,926
11.445		GR Pharmacy FRA Transfer					
	1	Core	0.00	38,737,111	0	0	38,737,111
		Total	0.00	38,737,111	0	0	38,737,111
11.450		Pharmacy FRA Transfer					
	1	Core	0.00	0	0	38,737,111	38,737,111
		Total	0.00	0	0	38,737,111	38,737,111
11.455		Physician Related					
	1	Core	0.00	86,468,613	253,845,261	18,747,307	359,061,181
	6	NDI-MHD FY17 Cost to Continue	0.00	27,850,288	7,797,249	0	35,647,537
	23	NDI-ABA for Children with Autism	0.00	4,426,654	7,642,638	0	12,069,292
	22	NDI-ABLE Accounts	0.00	630,729	1,649,933	324,922	2,605,584
		Total	0.00	119,376,284	270,935,081	19,072,229	409,383,594
11.460		Dental					
	1	Core	0.00	837,204	8,637,115	4,252,464	13,726,783
	6	NDI-MHD FY17 Cost to Continue	0.00	0	252,718	0	252,718
	22	NDI-ABLE Accounts	0.00	2,773	7,253	1,428	11,454
		Total	0.00	839,977	8,897,086	4,253,892	13,990,955
11.465		Premium Payments					
	1	Core	0.00	65,720,861	128,087,018	0	193,807,879

**DEPARTMENT OF SOCIAL SERVICES
FISCAL YEAR 2017 SAM SECTION SUMMARY:**

H.B. Sec.	Rank	Decision Item Name	2017 Department Request				
			FTE	GR	FF	OF	Total
	6	NDI-MHD FY17 Cost to Continue	0.00	6,598,374	13,082,283	0	19,680,657
	17	NDI-Premium Increase	0.00	3,196,563	6,260,217	0	9,456,780
		<i>Total</i>	0.00	75,515,798	147,429,518	0	222,945,316
11.470		Nursing Facilities					
	1	Core	0.00	142,097,015	388,426,892	81,409,072	611,932,979
		<i>Total</i>	0.00	142,097,015	388,426,892	81,409,072	611,932,979
11.470		Home Health					
	1	Core	0.00	2,445,442	4,550,056	189,979	7,185,477
	22	NDI-ABLE Accounts	0.00	3,059	8,002	1,576	12,637
		<i>Total</i>	0.00	2,448,501	4,558,058	191,555	7,198,114
11.470		PACE					
	1	Core	0.00	2,979,470	5,127,145	40,445	8,147,060
	6	NDI-MHD FY17 Cost to Continue	0.00	50,165	173,156	0	223,321
		<i>Total</i>	0.00	3,029,635	5,300,301	40,445	8,370,381
11.475		Long Term Support UPL Transfer					
	1	Core	0.00	0	0	10,990,982	10,990,982
		<i>Total</i>	0.00	0	0	10,990,982	10,990,982
11.480		Long Term Support Payments					
	1	Core	0.00	0	6,961,594	3,989,174	10,950,768
		<i>Total</i>	0.00	0	6,961,594	3,989,174	10,950,768

**DEPARTMENT OF SOCIAL SERVICES
FISCAL YEAR 2017 SAM SECTION SUMMARY:**

H.B. Sec.	Rank	Decision Item Name	2017 Department Request				
			FTE	GR	FF	OF	Total
11.485		Rehab & Specialty Services					
	1	Core	0.00	71,247,849	150,350,936	25,011,291	246,610,076
	6	NDI-MHD FY17 Cost to Continue	0.00	8,320,189	0	0	8,320,189
	18	NDI-Hospice Rate Increase	0.00	104,459	180,314	0	284,773
	22	NDI-ABLE Accounts	0.00	219,406	573,948	113,027	906,381
		Total	0.00	79,891,903	151,105,198	25,124,318	256,121,419
11.485		NEMT					
	1	Core	0.00	8,642,106	29,472,000	0	38,114,106
	6	NDI-MHD FY17 Cost to Continue	0.00	4,353,603	0	0	4,353,603
	13	NDI-NEMT Actuarial Increase	0.00	1,044,289	1,802,970	0	2,847,259
		Total	0.00	14,039,998	31,274,970	0	45,314,968
11.490		Complex Rehab Technology Products					
	1	Core	0.00	4,122,171	7,324,335	55,131	11,501,637
	6	NDI-MHD FY17 Cost to Continue	0.00	88,355	39,405	0	127,760
	22	NDI-ABLE Accounts	0.00	23,927	62,590	0	86,517
		Total	0.00	4,234,453	7,426,330	55,131	11,715,914
11.495		Ambulance SRV Reim. Allow Transfer					
	1	Core	0.00	18,236,543	0	0	18,236,543
		Total	0.00	18,236,543	0	0	18,236,543
11.500		GR Ambulance SRV Reim. Allow Transfer					
	1	Core	0.00	0	0	18,236,543	18,236,543
		Total	0.00	0	0	18,236,543	18,236,543
11.505		Managed Care					
	1	Core	0.00	439,276,365	1,178,706,392	201,151,210	1,819,133,967
	6	NDI-MHD FY17 Cost to Continue	0.00	38,746,913	20,849,567	0	59,596,480
	12	NDI-Mgd Care Actuarial Increase	0.00	17,780,173	30,640,778	0	48,420,951
	21	NDI-Statewide Magd Care Transition	0.00	39,719,100	68,575,200	0	108,294,300
		Total	0.00	535,522,551	1,298,771,937	201,151,210	2,035,445,698

**DEPARTMENT OF SOCIAL SERVICES
FISCAL YEAR 2017 SAM SECTION SUMMARY:**

H.B. Sec.	Rank	Decision Item Name	2017 Department Request				
			FTE	GR	FF	OF	Total
11.510		Hospital Care					
	1	Core	0.00	1,631,839	356,732,911	218,181,908	576,546,658
	6	NDI-MHD FY17 Cost to Continue	0.00	32,148,678	11,190,528	0	43,339,206
	22	NDI-ABLE Accounts	0.00	822,442	2,151,440	436,008	3,409,890
		Total	0.00	34,602,959	370,074,879	218,617,916	623,295,754
11.515		Physician Payments for Safety Net					
	1	Core	0.00	0	8,000,000	0	8,000,000
		Total	0.00	0	8,000,000	0	8,000,000
11.520		FQHC Distribution					
	1	Core	0.00	6,108,559	7,696,009	38,417	13,842,985
		Total	0.00	6,108,559	7,696,009	38,417	13,842,985
11.525		IGT Health Care Home					
	1	Core	0.00	0	6,900,000	2,453,934	9,353,934
		Total	0.00	0	6,900,000	2,453,934	9,353,934
		Foster Kids Health Home					
	1	Core	0.00	0	0	0	0
		Total	0.00	0	0	0	0
11.530		Federal Reimbursement Allowance					
	1	Core	0.00	0	0	1,022,818,735	1,022,818,735
	26	NDI-FRA DSH Redistribution	0.00	0	0	102,999,999	102,999,999
		Total	0.00	0	0	1,125,818,734	1,125,818,734
11.535		IGT Transfer					
	1	Core	0.00	0	0	96,885,215	96,885,215
	25	NDI-Transfer Increase Authority	0.00	0	0	248,265	248,265
		Total	0.00	0	0	97,133,480	97,133,480
11.540		IGT Safety Net Hospitals					
	1	Core	0.00	0	71,505,748	43,348,801	114,854,549
		Total	0.00	0	71,505,748	43,348,801	114,854,549

**DEPARTMENT OF SOCIAL SERVICES
FISCAL YEAR 2017 SAM SECTION SUMMARY:**

H.B. Sec.	Rank	Decision Item Name	2017 Department Request				
			FTE	GR	FF	OF	Total
11.545		IGT DMH Medicaid Programs					
	1	Core	0.00	0	194,011,173	125,179,424	319,190,597
	25	NDI-Transfer Increase Authority	0.00	0	42,910,133	12,046,588	54,956,721
		<i>Total</i>	0.00	0	236,921,306	137,226,012	374,147,318
11.550		Women's Health Services					
	1	Core	0.00	1,598,704	8,801,755	216,790	10,617,249
	10	NDI-Pharmacy PMPM - Speciality	0.00	14,032	126,293	0	140,325
	11	NDI Pharmacy PMPM-Non- Speciality	0.00	3,335	30,014	0	33,349
		<i>Total</i>	0.00	1,616,071	8,958,062	216,790	10,790,923
11.555		CHIP					
	1	Core	0.00	3,864,122	74,583,966	7,719,204	86,167,292
	10	NDI - Pharmacy PMPM - Speciality	0.00	1,260,754	3,650,636	0	4,911,390
	11	NDI - Pharmacy PMPM-Non- Speciality	0.00	299,621	867,582	0	1,167,203
	12	NDI- Mgd Care Actuarial Increase	0.00	130,272	376,621	0	506,893
		<i>Total</i>	0.00	5,554,769	79,478,805	7,719,204	92,752,778
11.556		Show Me Babies					
	1	Core	0.00	3,537,785	10,135,005	0	13,672,790
		<i>Total</i>	0.00	3,537,785	10,135,005	0	13,672,790
11.560		GR FRA Transfer					
	1	Core	0.00	632,107,500	0	0	632,107,500
		<i>Total</i>	0.00	632,107,500	0	0	632,107,500
11.565		FRA Transfer					
	1	Core	0.00	0	0	632,107,500	632,107,500
		<i>Total</i>	0.00	0	0	632,107,500	632,107,500
11.570		GR NFRA Transfer					
	1	Core	0.00	210,950,510	0	0	210,950,510
		<i>Total</i>	0.00	210,950,510	0	0	210,950,510
11.575		Nursing Facility Reimbursement Transfer					
	1	Core	0.00	0	0	210,950,510	210,950,510
		<i>Total</i>	0.00	0	0	210,950,510	210,950,510
11.580		Nursing Facility Quality Transfer					
	1	Core	0.00	0	0	1,500,000	1,500,000
		<i>Total</i>	0.00	0	0	1,500,000	1,500,000
11.585		Nursing Facility FRA					
	1	Core	0.00	0	0	325,332,526	325,332,526
	6	NDI-MHD FY17 Cost to Continue	0.00	0	0	931,039	931,039
		<i>Total</i>	0.00	0	0	326,263,565	326,263,565

**DEPARTMENT OF SOCIAL SERVICES
FISCAL YEAR 2017 SAM SECTION SUMMARY:**

H.B. Sec.	Rank	Decision Item Name	2017 Department Request				
			FTE	GR	FF	OF	Total
11.590		School District Medicaid Claiming					
	1	Core	0.00	242,525	39,653,770	0	39,896,295
		<i>Total</i>	0.00	242,525	39,653,770	0	39,896,295
11.595		Blind Pension Medical Benefits					
	1	Core	0.00	23,531,130	0	0	23,531,130
	6	NDI-MHD FY17 Cost to Continue	0.00	3,537,438	0	0	3,537,438
		<i>Total</i>	0.00	27,068,568	0	0	27,068,568
		<i>Total MO HealthNet Core</i>	234.11	1,157,991,579	3,824,689,267	2,550,144,758	7,532,825,604
		<i>Total MO HealthNet Division</i>	249.11	1,513,133,095	4,243,276,334	2,667,563,526	8,423,972,955
		<i>Total MO HealthNet Transfers</i>	0.00	900,031,664	0	1,009,656,126	1,909,687,790

Crossing Issues

MHD Cost to Continue

**NEW DECISION ITEM
RANK: 6**

Department: Social Services
Division: MO HealthNet
DI Name: MO HealthNet Cost to Continue

Budget Unit:
DI#: 1886001

1. AMOUNT OF REQUEST

FY 2016 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	197,712,655	129,028,023	931,039	327,671,717
TRF				
Total	197,712,655	129,028,023	931,039	327,671,717
FTE				0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Nursing Facilities Federal Reimbursement Allowance (0196)

FY 2016 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0
FTE				0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input checked="" type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/> Other: Mandatory	

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: To fund additional anticipated costs for MO HealthNet programs.

Funds are requested for estimated costs in the FY 2016 supplemental budget. These amounts are based on FY 2016 Medicaid cost projections, considering actual costs through August 2015. Programs with costs estimated to exceed FY 2016 appropriated amounts include Pharmacy, Clawback, Physician Related Services, Dental, Premium, Program for All-Inclusive Care for the Elderly (PACE), Rehab and Specialty Services, Non-Emergency Medical Transportation (NEMT), Complex Rehab Technology, Managed Care, Hospital, NFFRA, and Blind Medical. This shortfall is partially offset by anticipated lapsed spending in the Managed Care Expansion budget section.

NEW DECISION ITEM**RANK: 6****Department: Social Services****Division: MO HealthNet****DI Name: MO HealthNet Cost to Continue****Budget Unit:****DI#: 1886001****4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of**

The MHD performed detailed projections of all core programs funding. These projections include estimating expenditures for the next fiscal year in order to ensure adequate funding is available. Federal Match rate used is 63.323%. Differences in FY16 supplemental request and the FY17 CTC include: MO Rx shortfall is represented in a separate NDI, costs associated with ABA for children with autism are represented in a separate NDI, an adjustment for interim payments in the Physician program, and a one time rate adjustment for managed care that is realized in FY16 but not in FY17.

Program	GR	Federal	NFFRA	Total
Pharmacy	60,461,570	75,643,117	0	136,104,687
Clawback	15,557,082	0	0	15,557,082
MORx	0	0	0	0
Physician Related	27,850,288	7,797,249	0	35,647,537
Dental	0	252,718	0	252,718
Premium	6,598,374	13,082,283	0	19,680,657
PACE	50,165	173,156	0	223,321
Nursing Facilities	0	0	931,039	931,039
Rehab & Specialty	8,320,189	0	0	8,320,189
NEMT	4,353,603	0	0	4,353,603
Complex Rehab	88,355	39,405	0	127,760
Managed Care	38,746,913	20,849,567	0	59,596,480
Hospital	32,148,678	11,190,528	0	43,339,206
Blind Medical	3,537,438	0	0	3,537,438
CtC Subtotal	\$197,712,655	\$129,028,023	\$931,039	\$327,671,717

NEW DECISION ITEM

RANK: 6

Department: Social Services

Budget Unit:

Division: MO HealthNet

DI Name: MO HealthNet Cost to Continue

DI#: 1886001

Reasons for FY 2017 Cost To Continue

FY 2016 GR Core Reductions	
Pharmacy	2,585,388
Clawback	5,429,314
Physician Related	5,047,652
Premium	2,020,620
Rehab & Specialty	2,489,928
NEMT	276,659
Complex Rehab Tech	88,355
Managed Care	8,871,605
Hospital	1,074,653
Blind Medical	725,266
Total	28,609,440

Core reductions taken during the budget process above those recommended by the Governor. In addition, the Pharmacy PMPM increases were funded \$1,130,137 below the Governor's recommendation.

GR

Clawback Rate Ch	(6,013,764)	<i>There is an estimated 11.76% increase in the Clawback assessment rate for CY 2016</i>
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Anticipated revenue to the Pharmacy Rebates Fund and the Pharmacy Reimbursement Allowance Fund are below the amount needed to support current appropriation in the Pharmacy Program.

Pharmacy Rebate:	15,400,000
PFRA	1,974,102
	<u>17,374,102</u>

NEW DECISION ITEM

RANK: 6

Department: Social Services

Division: MO HealthNet

DI Name: MO HealthNet Cost to Continue

Budget Unit:

DI#: 1886001

Underestimated FY 2016 Cost to Continue			
Program	GR/State	Federal	Total
Pharmacy	11,460,582	19,786,744	31,247,326
Physician	7,799,033	13,465,065	21,264,098
Premium	1,099,247	1,897,855	2,997,102
NEMT	34,865	60,194	95,059
Managed Care	7,888,676	13,619,834	21,508,510
Hospital	11,736,331	20,262,826	31,999,157
Blind Medical	1,656,459		1,656,459
Total	41,675,193	69,092,518	110,767,711

The Governor's recommended FY 2016 cost to continue NDI was based on the FY 2015 November end of month MO HealthNet Medicaid projections. Cost increases attributable to caseload growth, increased utilization of services and healthcare inflation exceeded the anticipated FY 2015 cost above what was originally projected in November of FY 2015. Therefore, the estimated cost to continue NDI for FY 2016 was also underestimated. The amounts to the left represent the difference, by program, of the November end of month

Additional costs for increased caseload, utilization and inflation				
Program	GR/State	Federal	Other	Total
Pharmacy	29,041,498	55,856,373		84,897,871
Clawback	16,141,532			16,141,532
MORx				0
Physician Related	15,003,603			15,003,603
Premium	3,478,507	11,184,428		14,662,935
PACE	50,165	173,156		223,321
Nursing Facilities			931,039	931,039
Rehab	5,830,261			5,830,261
NEMT	4,042,079			4,042,079
Managed Care	21,986,632	34,469,401		56,456,033
Hospital	19,337,694			19,337,694
Blind Medical	1,155,713			1,155,713
Total	\$116,067,684	\$101,683,358		\$218,682,081

Less excess federal authority already in the core (41,747,853)

NEW DECISION ITEM

RANK: 6

Department: Social Services

Budget Unit:

Division: MO HealthNet

DI Name: MO HealthNet Cost to Continue

DI#: 1886001

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	197,712,655		129,028,023		931,039		327,671,717		
Total PSD	197,712,655		129,028,023		931,039		327,671,717		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	197,712,655	0.0	129,028,023	0.0	931,039	0.0	327,671,717	0.0	0

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions			0				0		
Total PSD	0		0		0		0		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0

NEW DECISION ITEM

RANK: 6

Department: Social Services

Division: MO HealthNet

DI Name: MO HealthNet Cost to Continue

Budget Unit:

DI#: 1886001

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

Provide an effectiveness measure.

Since this decision item is a combined request for the increase in authority of several programs, measures are incorporated in the individual program descriptions.

Provide an efficiency measure.

Since this decision item is a combined request for the increase in authority of several programs, measures are incorporated in the individual program descriptions.

Provide the number of clients/individuals served, if applicable.

Since this decision item is a combined request for the increase in authority of several programs, measures are incorporated in the individual program descriptions.

Provide a customer satisfaction measure, if available.

Since this decision item is a combined request for the increase in authority of several programs, measures are incorporated in the individual program descriptions.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
PHARMACY								
MHD FY17 Cost to Continue - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	136,104,687	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	136,104,687	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$136,104,687	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$60,461,570	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$75,643,117	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
PHARMACY-MED PART D-CLAWBACK								
MHD FY17 Cost to Continue - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	15,557,082	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	15,557,082	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$15,557,082	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$15,557,082	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
PHYSICIAN RELATED PROF								
MHD FY17 Cost to Continue - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	35,647,537	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	35,647,537	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$35,647,537	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$27,850,288	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$7,797,249	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
DENTAL								
MHD FY17 Cost to Continue - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	252,718	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	252,718	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$252,718	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$252,718	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
PREMIUM PAYMENTS								
MHD FY17 Cost to Continue - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	19,680,657	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	19,680,657	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$19,680,657	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$6,598,374	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$13,082,283	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
PACE								
MHD FY17 Cost to Continue - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	223,321	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	223,321	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$223,321	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$50,165	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$173,156	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
REHAB AND SPECIALTY SERVICES								
MHD FY17 Cost to Continue - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	8,320,189	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	8,320,189	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$8,320,189	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$8,320,189	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
NON-EMERGENCY TRANSPORT								
MHD FY17 Cost to Continue - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	4,353,603	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	4,353,603	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$4,353,603	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$4,353,603	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
COMPLEX REHAB TECHNLOGY PRDUCTS								
MHD FY17 Cost to Continue - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	127,760	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	127,760	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$127,760	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$88,355	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$39,405	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
MANAGED CARE								
MHD FY17 Cost to Continue - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	59,596,480	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	59,596,480	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$59,596,480	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$38,746,913	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$20,849,567	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
HOSPITAL CARE								
MHD FY17 Cost to Continue - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	43,339,206	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	43,339,206	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$43,339,206	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$32,148,678	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$11,190,528	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
NURSING FACILITY FED REIMB AL								
MHD FY17 Cost to Continue - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	931,039	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	931,039	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$931,039	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$931,039	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
BLIND PENSION MEDICAL BENEFITS								
MHD FY17 Cost to Continue - 1886001								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	3,537,438	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	3,537,438	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$3,537,438	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$3,537,438	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

Pharmacy PMPM- Specialty

NEW DECISION ITEM
RANK: 10 OF 29

Department: Social Services
Division: MO HealthNet
DI Name: Pharmacy PMPM Increase-Specialty

Budget Unit 90541C
DI# 1886002

1. AMOUNT OF REQUEST

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	50,683,254	89,080,864		139,764,118
TRF				
Total	50,683,254	89,080,864	0	139,764,118
FTE	0.00	0.00	0.00	0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0
FTE				0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input checked="" type="checkbox"/> Other: Inflation/Utilization	

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funds are needed to address the anticipated increases in the pharmacy program due to new drugs, therapies and inflation.

This decision item requests funding for the ongoing inflation of pharmaceuticals and the anticipated increase in pharmacy expenditures attributed to specialty drugs. Specialty drugs account for the majority of the projected increase in pharmacy expenditures.

State Statute: 208.201 RSMo.; Federal Law: Social Security Act Section 1902(a)(4); Federal Regulations: 42 CFR, Part 432

NEW DECISION ITEM
RANK: 10 OF 29

Department: Social Services
Division: MO HealthNet
DI Name: Pharmacy PMPM Increase-Specialty

Budget Unit: 90541C
DI# 1886002

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

MHD utilized industry sources, Express Scripts (ESI) Trend Report and CVS Caremark Insights Report, in support of the decision item.

Specialty drugs account for the majority of the projected increase in pharmacy expenditures. Specialty drugs treat complex chronic and/or life threatening conditions. Specialty drugs are often the first effective treatment of a condition. Many specialty products face little market competition and target a small patient population, thus they have a high cost per unit. Most specialty products are complex "biologics" and not easily copied, making introduction of generics a long, slow process. Typically, specialty drugs require special storage, handling and administration. They may also require detailed patient instructions and adherence monitoring from qualified healthcare providers. Additionally, there is generally pent up demand for a specialty drug, making the first few years of use very expensive.

The major contributors of the increase in specialty spend are brand inflation and accelerating development of expensive, highly targeted therapies. The top specialty drug therapy classes are inflammatory conditions, multiple sclerosis, oncology, and hepatitis C. These specialty therapy classes account for 68% of the total specialty drug spend in the commercial market. Highlights for these classes are:

- Inflammatory Conditions - such as rheumatoid arthritis, psoriasis and Crohn's disease will increase due to the expansion of indications for current therapies, movement of therapy from medical settings to pharmacy, and increasing numbers of patients newly diagnosed with inflammatory conditions.
- Multiple Sclerosis – moderate inflation rates will contribute to the rising costs of treating MS in the next few years. Ponesimod, a new pipeline drug that might be launched in 2017, may increase spend as well.
- Oncology – year over year trend forecast for oncology medications is based on continuations of brand inflation and brand drug innovation; both will increase utilization. Multiple therapies can be used sequentially or as combination treatment-leading to increased utilization.
- Hepatitis C – in the next three years, further significant increases in the PMPY trend for treatments will result from increases in utilization and brand inflation. Large cost increases in 2014 were associated with the introduction of four highly effective therapies to the U.S. market.

Additional "blockbuster" drugs (i.e. \$1 billion dollars each in sales) not included in the categories above that have hit the market this year include:

- Two medications for cystic fibrosis (>\$300,000 each per patient per year)
- Two new medications for lowering cholesterol (~ \$14,600 per patient per year)
- Breakthrough treatment for Heart Failure (~ \$4,500 per patient per year)

Industry sources indicate the percent of specialty spend in the commercial market has increased from 17.6% in 2011 to 31.8% in 2014 and is expected to grow to 44% in the commercial market in the next three years. The percent of specialty spend in MHD expenditures has been 38.6% for FY13 and FY14, 44.5% in FY15, but is expected to grow to 52.5% in FY17. The difference in the specialty rates between MHD and the commercial market is due to the MHD caseload mix. Based on the industry sources (ESI & CVS Caremark), MHD assumed a specialty trend of 19.725% in FY16 and 19.275% in FY17.

NEW DECISION ITEM
RANK: 10 OF 29

Department: Social Services
Division: MO HealthNet
DI Name: Pharmacy PMPM Increase-Specialty

Budget Unit: 90541C

DI# 1886002

Specialty Drugs

FY16 Trend	19.725%
FY17 Trend	19.275%

	Specialty			
	OAA	PTD	Others	Total
FY15 PMPM (actual)	\$284.35	\$619.18	\$60.86	
Specialty Rate	52.50%	52.50%	52.50%	
Subtotal	\$149.28	\$325.07	\$31.95	
FY16 PMPM Trend Rate	19.725%	19.725%	19.725%	
Increase in PMPM	\$29.45	\$64.12	\$6.30	
FY16 Estimate	\$178.73	\$389.19	\$38.25	
FY17 PMPM Trend Rate	19.275%	19.275%	19.275%	
FY17 Estimate	\$34.45	\$75.02	\$7.37	
Members	9,381	85,983	667,588	
Monthly Cost	\$323,188	\$6,450,473	\$4,920,124	
12 Months	12	12	12	
Yearly Cost	\$3,878,256	\$77,405,676	\$59,041,488	\$140,325,420

Pharmacy expenditures by program:

		FMAPs
Blind Pension Medical*	0.4%	0.00%
CHIP	3.5%	74.33%
Women's Health	0.1%	90.00%
Pharmacy	96.0%	63.32%

Total	GR	FF
\$0	\$0	\$0
\$4,911,390	\$1,260,754	\$3,650,636
\$140,325	\$14,033	\$126,293
\$134,712,403	\$49,408,468	\$85,303,935
\$139,764,118	\$50,683,254	\$89,080,864

*Pharmacy inflationary costs associated with the Blind Medical population are anticipated to be absorbed within the current appropriation and cost-to-continue.

NEW DECISION ITEM
RANK: 10 OF 29

Department: Social Services
Division: MO HealthNet
DI Name: Pharmacy PMPM Increase-Specialty

Budget Unit: 90541C

DI# 1886002

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
	0						0	0.0	
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
							0		
Total EE	0		0		0		0		0
Program Distributions	\$50,683,254		89,080,864				139,764,118		
Total PSD	50,683,254		89,080,864		0		139,764,118		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	50,683,254	0.0	89,080,864	0.0	0	0.0	139,764,118	0.0	0
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
	0						0	0.0	
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
							0		
Total EE	0		0		0		0		0
Program Distributions							0		
Total PSD	0		0		0		0		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0

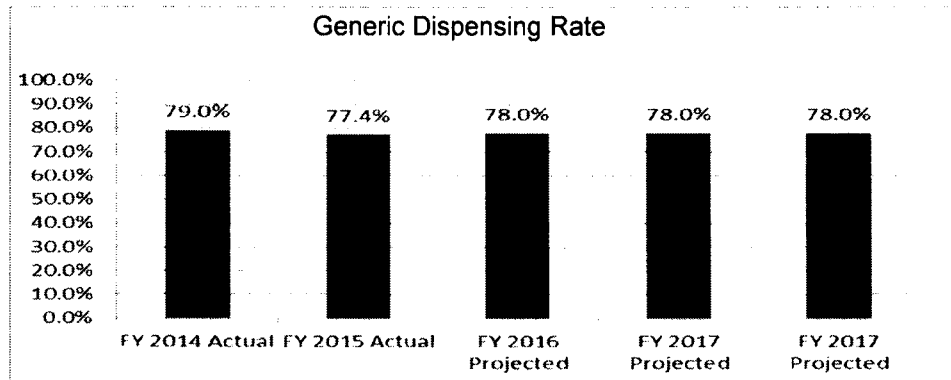
NEW DECISION ITEM
RANK: 10 OF 29

Department: Social Services
Division: MO HealthNet
DI Name: Pharmacy PMPM Increase-Specialty

Budget Unit: 90541C
DI# 1886002

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

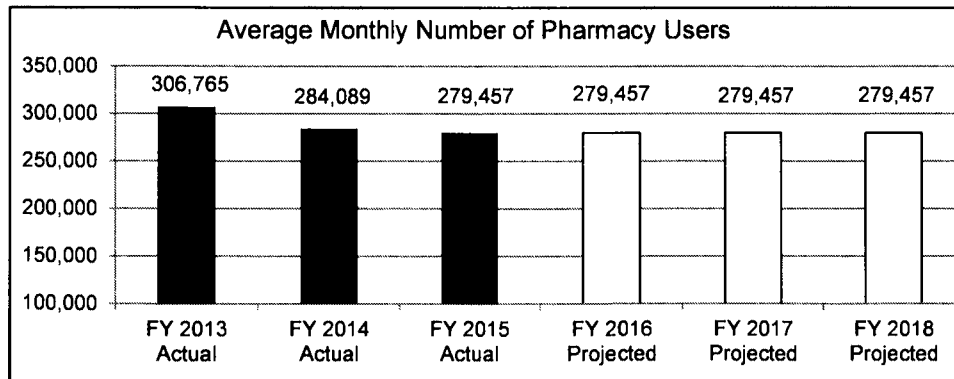
6a. Provide an effectiveness measure.



6b. Provide an efficiency measure.

N/A

6c. Provide the number of clients/individuals served, if applicable.



6d. Provide a customer satisfaction measure, if available.

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
PHARMACY								
Pharmacy PMPM-Specialty - 1886002								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	134,712,403	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	134,712,403	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$134,712,403	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$49,408,468	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$85,303,935	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
WOMEN'S HEALTH SRVC								
Pharmacy PMPM-Specialty - 1886002								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	140,325	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	140,325	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$140,325	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$14,032	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$126,293	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
CHILDREN'S HEALTH INS PROGRAM								
Pharmacy PMPM-Specialty - 1886002								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	4,911,390	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	4,911,390	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$4,911,390	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$1,260,754	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$3,650,636	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

Pharmacy PMPM-Non Specialty

NEW DECISION ITEM

RANK: 11

OF: 29

Department: Social Services

Budget Unit 90541C

Division: MO HealthNet

DI Name: Pharmacy PMPM Increase-Non Specialty

DI # 1886003

1. AMOUNT OF REQUEST

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS	0	0	0	0
EE	0	0	0	0
PSD	11,971,605	21,043,569	0	33,015,174
TRF	0	0	0	0
Total	11,971,605	21,043,569	0	33,015,174
FTE	0.00	0.00	0.00	0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS	0	0	0	0
EE	0	0	0	0
PSD	0	0	0	0
TRF	0	0	0	0
Total	0	0	0	0
FTE	0.00	0.00	0.00	0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input checked="" type="checkbox"/> Other: Inflation/Utilization	

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funds are needed to address the anticipated increases in the pharmacy program due to new drugs, therapies and inflation.

This decision item requests funding for the ongoing inflation of pharmaceuticals and the anticipated increase in pharmacy expenditures attributed non-specialty drugs.

State Statute: 208.201 RSMo.; Federal Law: Social Security Act Section 1902(a)(4); Federal Regulations: 42 CFR, Part 432

NEW DECISION ITEM

RANK: 11 OF: 29

Department: Social Services

Budget Unit 90541C

Division: MO HealthNet

DI Name: Pharmacy PMPM Increase-Non Specialty

DI # 1886003

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The Pharmacy PMPM NDI is broken down into two components: Specialty and Non Specialty. Two industry sources, the Express Scripts (ESI) Trend Report and the CVS Caremark Insights Report, were used to project MO HealthNet pharmacy costs. These sources project the following trend for 2017 Non-Specialty Pharmacy PMPM

Non-Specialty Drugs

FY16 Trend	4.60%
FY17 Trend	5.80%

Non-Specialty Drugs

	OAA	PTD	Others	Total
FY15 PMPM (actual)	\$284.35	\$619.18	\$60.86	
Non Specialty Rate	47.50%	47.50%	47.50%	
Subtotal	\$135.07	\$294.11	\$28.91	
FY16 PMPM Trend Rate	4.60%	4.60%	4.60%	
Increase in PMPM	\$6.21	\$13.53	\$1.33	
FY16 Estimate	\$141.28	\$307.64	\$30.24	
FY17 PMPM Trend Rate	5.80%	5.80%	5.80%	
FY17 Estimate	\$8.19	\$17.84	\$1.75	
Members	9,381	85,983	667,588	
Monthly Cost	\$76,833	\$1,533,943	\$1,168,279	
12 Months	12	12	12	
Yearly Cost	\$921,996	\$18,407,316	\$14,019,348	\$33,348,660

Pharmacy expenditures by program:		FMAPs	Total	GR	FF
Blind Pen Medical*	0.9%	0.00%	-	-	-
CHIP	3.5%	74.33%	1,167,203	299,621	867,582
Women's Health	0.1%	90.00%	33,349	3,335	30,014
Pharmacy	95.4%	63.32%	31,814,622	11,668,649	20,145,973
			33,015,174	11,971,605	21,043,569

*Pharmacy inflationary costs associated with the Blind Medical population are anticipated to be absorbed within the current appropriation and cost-to-continue.

NEW DECISION ITEM

RANK: 11 OF: 29

Department: Social Services

Budget Unit 90541C

Division: MO HealthNet

DI Name: Pharmacy PMPM Increase-Non Specialty

DI # 1886003

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS		0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	11,971,605		21,043,569				33,015,174		
Total PSD	11,971,605		21,043,569		0		33,015,174		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	11,971,605	0.0	21,043,569	0.0	0	0.0	33,015,174	0.0	0

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions							0		
Total PSD	0		0		0		0		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0

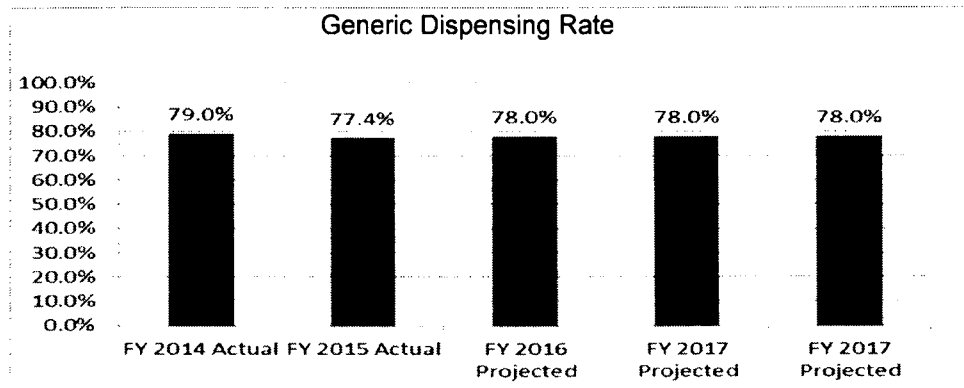
NEW DECISION ITEM
RANK: 11 OF: 29

Department: Social Services
Division: MO HealthNet
DI Name: Pharmacy PMPM Increase-Non Specialty

Budget Unit: 90541C
DI # 1886003

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

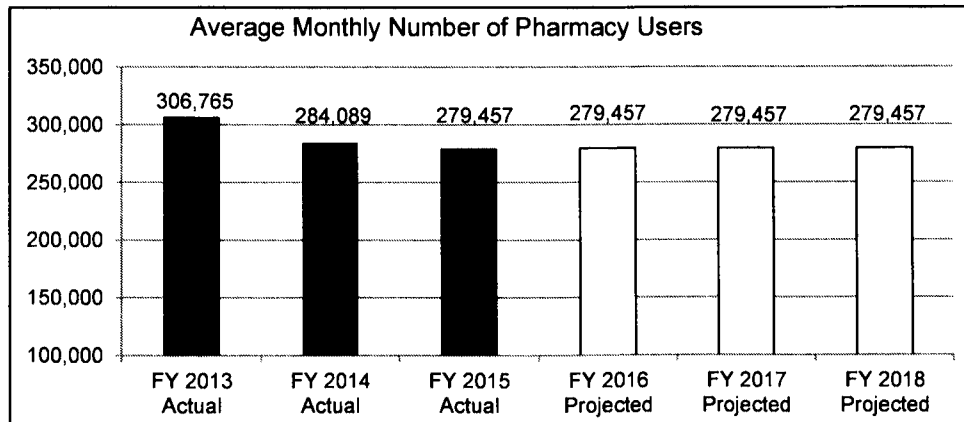
6a. Provide an effectiveness measure.



6b. Provide an efficiency measure.

N/A

6c. Provide the number of clients/individuals served, if applicable.



6d. Provide a customer satisfaction measure, if available.

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
PHARMACY								
Pharmacy PMPM-Non-Specialty - 1886003								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	32,014,713	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	32,014,713	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$32,014,713	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$11,742,036	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$20,272,677	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
WOMEN'S HEALTH SRVC								
Pharmacy PMPM-Non-Specialty - 1886003								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	33,349	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	33,349	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$33,349	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$3,335	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$30,014	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
CHILDREN'S HEALTH INS PROGRAM								
Pharmacy PMPM-Non-Specialty - 1886003								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	1,167,203	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	1,167,203	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$1,167,203	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$299,621	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$867,582	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

Managed Care Actuarial Increase

NEW DECISION ITEM
RANK: 12 OF: 29

Department: Social Services
Division: MO HealthNet
DI Name: Managed Care Actuarial Increase

Budget Unit: 90551C
DI#: 1886004

1. AMOUNT OF REQUEST

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS	0	0	0	0
EE	0	0	0	0
PSD	17,910,433	31,017,366	0	48,927,799
TRF	0	0	0	0
Total	17,910,433	31,017,366	0	48,927,799
FTE	0.00	0.00	0.00	0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0
FTE				0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

☐ New Legislation
☒ Federal Mandate
☐ GR Pick-Up
☐ Pay Plan

☐ New Program
☐ Program Expansion
☐ Space Request
☒ Other: Actuarial Increase

☐ Fund Switch
☐ Cost to Continue
☐ Equipment Replacement

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funding is needed to fund an increase for managed care medical, newborn delivery, and Neonatal Intensive Care Unit (NICU) services to ensure that managed care payments are actuarially sound. Funding is for the Eastern, Central and Western regions for July 2016 through June 2017.

MO HealthNet needs to maintain capitation rates at a sufficient level to ensure continued health plan and provider participation. The Federal Authority is Social Security Act Section 1915(b) and 1115 Waiver. The Federal Regulation is 42 CFR 438-Managed Care, and the State Authority is 208.166 RSMo. Final rules and regulations published June 14, 2002, effective August 13, 2003, require that capitation payments made on behalf of managed care participants be actuarially sound. Further, the state must provide the actuarial certification of the capitation rates to the CMS. The CMS Regional Office must review and approve all contracts for managed care as a condition for federal financial participation.

NEW DECISION ITEM

RANK: 12 OF: 29

Department: Social Services

Budget Unit: 90551C

Division: MO HealthNet

DI Name: Managed Care Actuarial Increase

DI#: 1886004

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number

The chart below indicates the projected need for all medical services as well as the births of children and Neonatal Intensive Care Unit (NICU) care for newborns in need of specialized care. Pharmacy benefits were carved out of managed care beginning October 1, 2009; therefore, participants receive their pharmacy benefits through the fee-for-service program. The managed care trend factor is calculated by region and is based on the number of months in the contract period that fall in FY 2017. No trend is applied to the managed care expansion region. Three efficiency adjustments were made in SFY 2011: Low-Acuity Non-Emergency (LANE), Potentially Preventable Hospital Admissions (PPA), and Risk Adjusted Efficiency (RAE). The total cost is estimated at \$48,927,215 as follows:

Program	Region	FY16	FY17	Difference	Participants	Contract Months in FY16	Total
Medical-Managed Care	Eastern	\$216.80	\$223.71	\$6.91	212,026	12	\$17,581,196
Medical-Managed Care	Central	\$227.04	\$240.66	\$13.62	84,223	12	\$13,765,407
Medical-Managed Care	Western	\$239.02	\$246.67	\$7.65	140,645	12	\$12,911,211
<i>subtotal Managed Care</i>							\$44,257,814
Medical TIXXI CHIP-Child	Eastern	\$162.74	\$168.11	\$5.37	2,904	12	\$187,134
Medical TIXXI CHIP-Child	Central	\$160.28	\$169.74	\$9.46	1,512	12	\$171,642
Medical TIXXI CHIP-Child	Western	\$178.55	\$184.26	\$5.71	2,161	12	\$148,072
<i>subtotal TIXXI CHIP Children</i>							\$506,848
Total Need Medical Trend							\$44,764,662
Deliveries-Managed Care and CHIP	Eastern	\$5,419.89	\$5,501.19	\$81.30	828	12	\$807,797
Deliveries-Managed Care and CHIP	Central	\$4,408.40	\$4,602.37	\$193.97	330	12	\$768,121
Deliveries-Managed Care and CHIP	Western	\$4,477.29	\$4,557.88	\$80.59	539	12	\$521,256
<i>subtotal Managed Care and CHIP Deliveries</i>							\$2,097,174
Total Need Deliveries Trend							\$2,097,174
NICU-Managed Care and CHIP	Eastern	\$203,267.77	\$208,959.27	\$5,691.50	16	12	\$1,092,768
NICU-Managed Care and CHIP	Central	\$175,406.70	\$186,808.14	\$11,401.44	4	12	\$547,269
NICU-Managed Care and CHIP	Western	\$181,091.02	\$186,161.57	\$5,070.55	7	12	\$425,926
<i>subtotal Managed Care and CHIP Deliveries</i>							\$2,065,963
Total Need NICU Trend							\$2,065,963
Total Need Medical, Deliveries and NICU							<u>\$48,927,799</u>

Managed Care
CHIP

Total	GR	Federal
\$48,420,951	\$17,780,173	\$30,640,778
\$506,848	\$130,260	\$376,588
\$48,927,799	\$17,910,433	\$31,017,366

NEW DECISION ITEM

RANK: 12 OF: 29

Department: Social Services

Budget Unit: 90551C

Division: MO HealthNet

DI Name: Managed Care Actuarial Increase

DI#: 1886004

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	17,910,433		31,017,366				48,927,799		
Total PSD	17,910,433		31,017,366		0		48,927,799		0
Transfers							0		
Total TRF	0		0		0		0		0
Grand Total	17,910,433	0.0	31,017,366	0.0	0	0.0	48,927,799	0.0	0

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions							0		
Total PSD	0		0		0		0		0
Transfers							0		
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0

NEW DECISION ITEM
RANK: 12 OF: 29

Department: Social Services
Division: MO HealthNet
DI Name: Managed Care Actuarial Increase

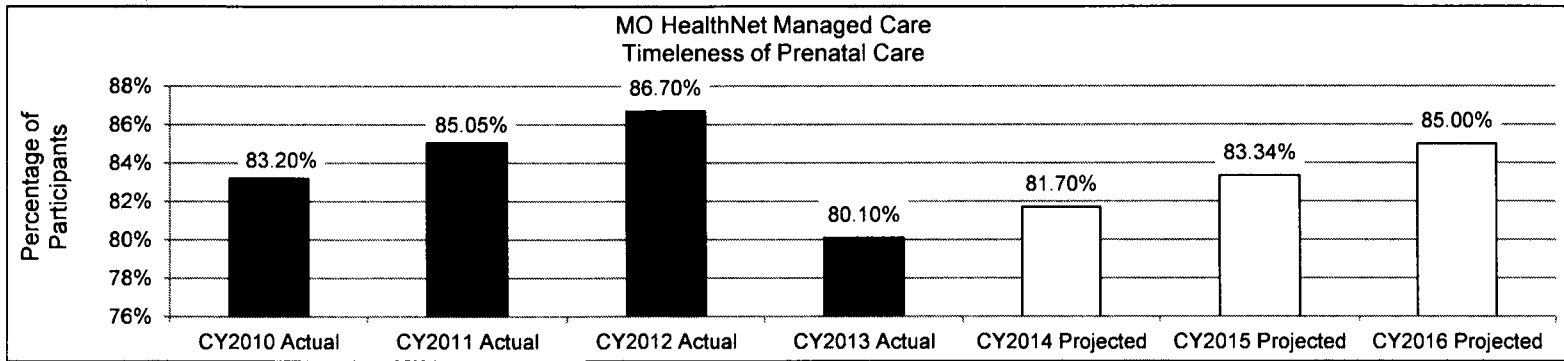
Budget Unit: 90551C
DI#: 1886004

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

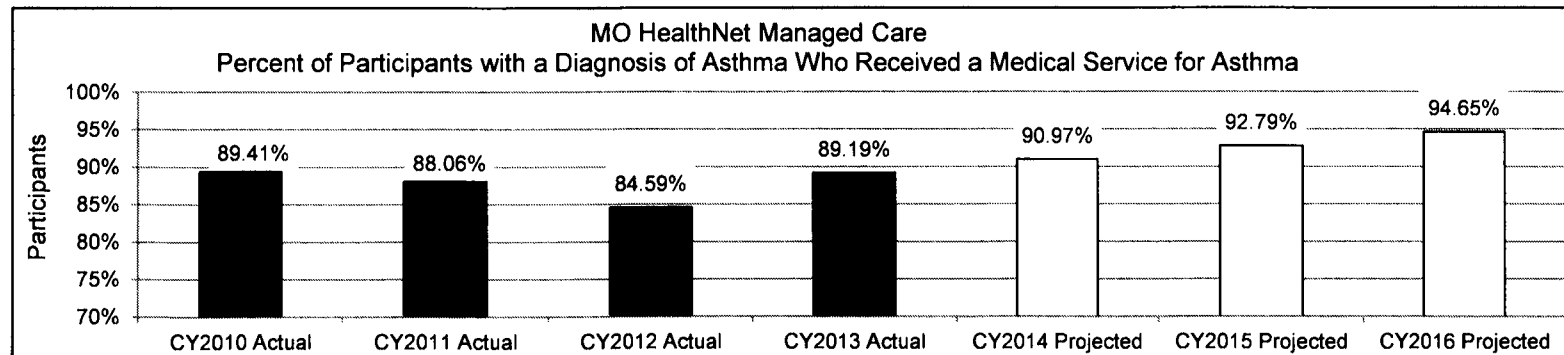
Prenatal care is important for monitoring the progress of pregnancy and to identify risk factors for the mother or baby before they become serious and lead to poor outcomes and more expensive health care costs. The diagnosis and treatment of chronic conditions also reduces more expensive health care costs that could result when conditions are left untreated.

6a. Provide an effectiveness measure.

Increase the percentage of women receiving prenatal care. The percentage of women who received prenatal care within the first trimester or within 42 days of enrollment in a health plan was 80.10% in 2013



Increase the percentage of participants with chronic conditions who receive treatment for their condition. The percentage of participants with a diagnosis of asthma who received a medical service for asthma was 89.19% in 2013.



**Updated measures for 2014 will be available after October 2015.*

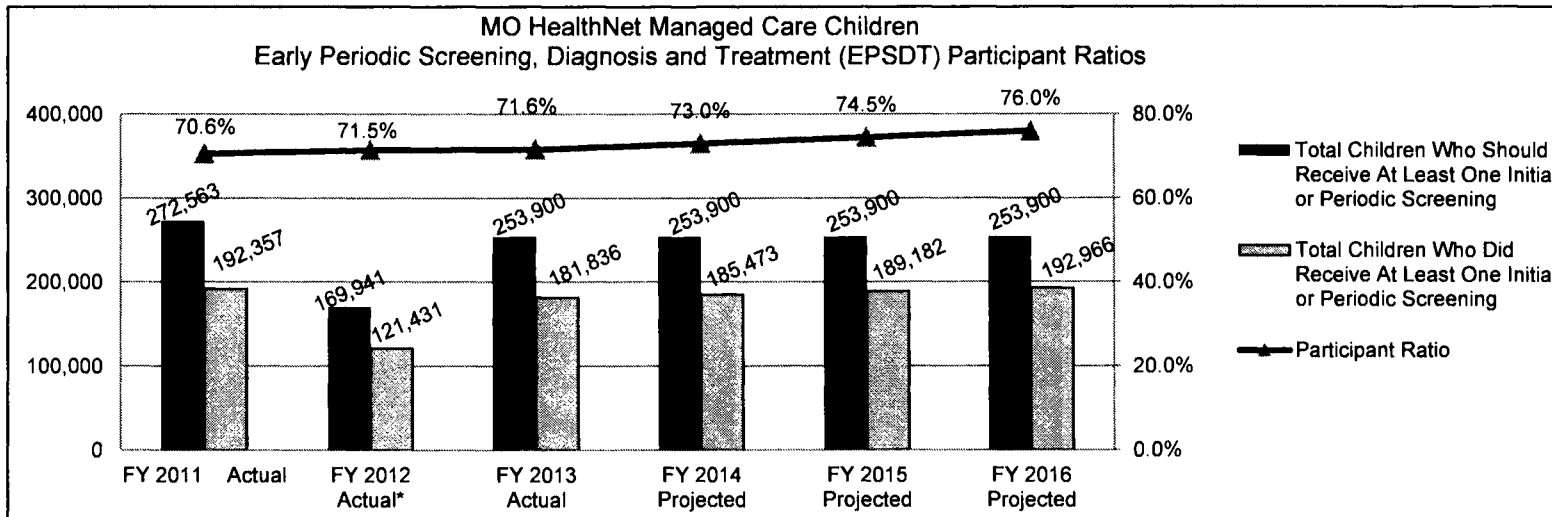
Department: Social Services
Division: MO HealthNet
DI Name: Managed Care Actuarial Increase

Budget Unit: 90551C
DI#: 1886004

6b. Provide an efficiency measure.

The Early Periodic Screening, Diagnosis and Treatment (EPSDT) program is a comprehensive, primary and preventive health care program for MO HealthNet eligible children and youth under the age of 21 years. The program provides early and periodic medical/dental screenings, diagnosis and treatment to correct or ameliorate defects and chronic conditions found during the screening. The chart below does not include CHIP children.

Increase the ratio of children who receive an EPSDT service. In FY 2013, over 71% of the children in Managed Care (not including CHIP) received an EPSDT screening.



*FY2012 Actual - The Total Eligibles and Screenings are under-reported for the population due to discontinuation of three health plans and the addition of one health plan in the middle of the reporting year.

*Updated measures for 2014 will be available after October 2015.

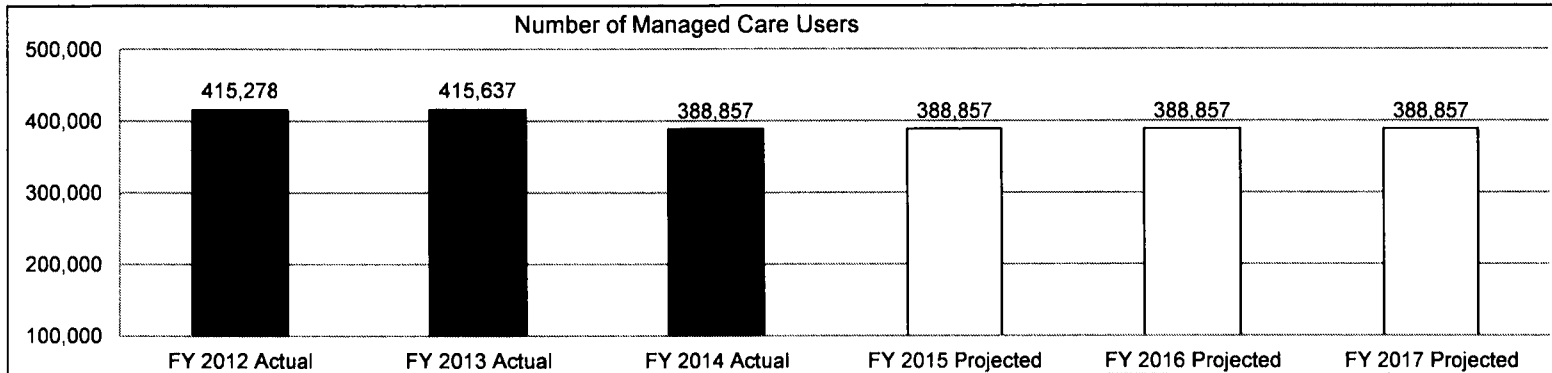
RANK: **NEW DECISION ITEM**
12 **OF:** **29**

Department: Social Services
Division: MO HealthNet
DI Name: Managed Care Actuarial Increase

Budget Unit: 90551C
DI#: 1886004

6c. Provide the number of clients/individuals served, if applicable.

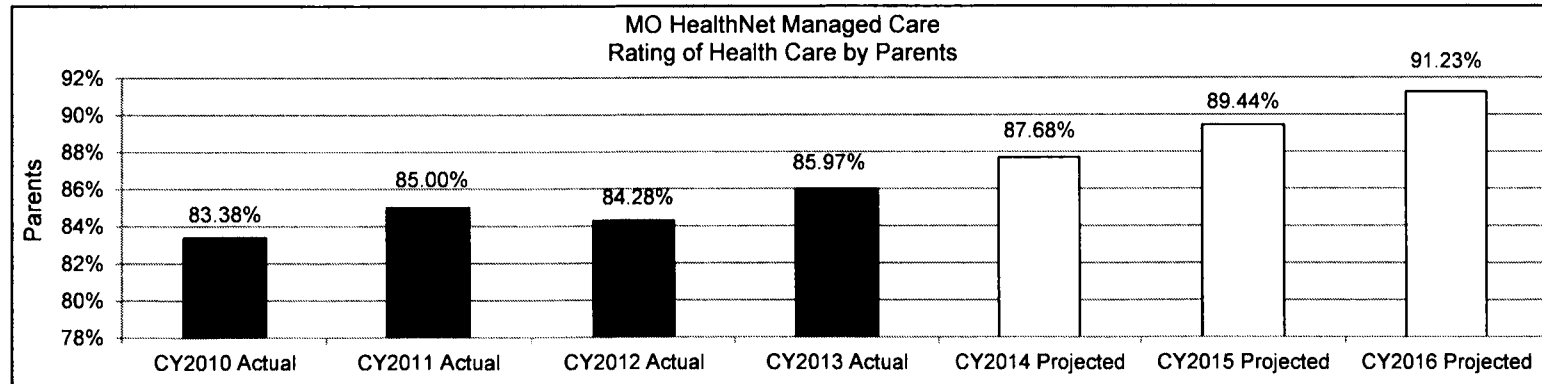
Users include MO HealthNet (Title XIX) and CHIP (Title XXI) participants.



* Updated measures for FY2015 will be available after October 2015.

6d. Provide a customer satisfaction measure, if available.

When parents were asked if they were satisfied with the health care their child received through their MO HealthNet Managed Care plan, Almost 86% responded that they were satisfied in 2013.



Customer Satisfaction Measure:
 Increase the percentage of parents who were satisfied with the health care their child received through MO HealthNet Managed Care.

* Updated measures for 2014 will be available after October 2015.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

- Participate in the Statewide Coalition, consisting of leaders from Missouri Hospital Association and the Family and Community Trust to provide outreach and enrollment.
- Continue to work with community groups, local medical providers, health care associations, schools, etc., regarding access to MO HealthNet coverage.
- Continue to work with MO HealthNet managed care health plans to provide outreach and education to communities regarding access to MO HealthNet coverage.

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
MANAGED CARE								
Mgd Care Actuarial Increase - 1886004								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	48,420,951	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	48,420,951	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$48,420,951	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$17,780,173	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$30,640,778	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
CHILDREN'S HEALTH INS PROGRAM								
Mgd Care Actuarial Increase - 1886004								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	506,893	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	506,893	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$506,893	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$130,272	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$376,621	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

Statewide Mgd Care Transition Costs

NEW DECISION ITEM
RANK: 21 OF 29

Department: Social Services
Division: MO HealthNet
DI Name Statewide Managed Care Transition

Budget Unit: 90551C, 90512C, and 90522C
DI# 1886038

1. AMOUNT OF REQUEST

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS	286,002	286,002	0	572,004
EE	564,984	564,984	0	1,129,968
PSD	39,719,100	68,575,200	0	108,294,300
TRF	0	0	0	0
Total	40,570,086	69,426,186	0	109,996,272
FTE	7.50	7.50	0.00	15.00

Est. Fringe	153,826	153,826	0	307,651
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0
FTE	0.00	0.00	0.00	0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input checked="" type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/> Other:	

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funding is needed to provide payment for services associated with implementing statewide managed care.

No additional funding was appropriated in FY16 for the administration of statewide managed care. This request includes funding for ongoing rate development for expanded regions, fifteen (15) FTE to administer the additional managed care population, ongoing MMIS programming costs, and enrollment broker costs. One-time funds are also requested for fee-for-service claims runoff.

NEW DECISION ITEM
RANK: 21 OF 29

Department: Social Services
Division: MO HealthNet
DI Name Statewide Managed Care Transition

Budget Unit: 90551C, 90512C, and 90522C
DI# 1886038

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

- 1) Claims Run-Out: Due to the lag in the time between date of service and the date a provider bill for services, the state estimates it will pay \$108 million in fee-for-service (FFS) claims for the population moving to managed care for the period prior to managed care enrollment. The bulk of these costs will be paid within 6 months; however, payouts could continue up to 12 months. Total claims run out of \$108 million accounts for the fact that managed care capitation payments are made in arrears, therefore, the total includes 5 months when both capitation payments and the remaining FFS claims for this population will be made concurrently.
- 2) Actuarial Contract: The additional regions subject to managed care will require additional actuarial costs to develop and adjust capitated rates.
- 3) Administration: Fifteen (15) additional FTE will be required to managed the increase of managed care participants.
- 4) MMIS Programming: This funding will support additional system changes that will be required to program additional counties, rate cells, and update managed care logic.
- 5) Enrollment Broker: Estimated contract cost based on a statewide rebid and open enrollment for the expanded managed care population.

	FTE	GR	FF	Total	Comments
MHD Fee for Service Claims Runout		\$39,719,100	\$68,575,200	\$108,294,300	
Ongoing Rate Development for Expanded Regions		\$50,000	\$50,000	\$100,000	
Administration for additional populations-PS	15.00	\$286,002	\$286,002	\$572,004	
Administration for additional populations-E&E		\$87,515	\$87,515	\$175,030	
MMIS Programming Costs		\$275,000	\$275,000	\$550,000	
Enrollment Broker		\$152,469	\$152,469	\$304,938	Statewide rebid and open enrollment
	15.00	\$40,570,086	\$69,426,186	\$109,996,272	

NEW DECISION ITEM
RANK: 21 OF 29

Department: Social Services
Division: MO HealthNet
DI Name Statewide Managed Care Transition

Budget Unit: 90551C, 90512C, and 90522C
DI# 1886038

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
							0	0.0	
Social Services Mgr II	31,998	0.5	31,998	0.5			63,996	1.0	
Management Analysis Spec II	20,970	0.5	20,970	0.5			41,940	1.0	
Medicaid Specialist	112,644	3.0	112,644	3.0			225,288	6.0	
Program Development Spec	20,190	0.5	20,190	0.5			40,380	1.0	
Correspondence & Info Spec	34,944	1.0	34,944	1.0			69,888	2.0	
Medicaid Technician	65,256	2.0	65,256	2.0			130,512	4.0	
Total PS	286,002	7.5	286,002	7.5	0	0.0	572,004	15.0	0
In-State Travel - 140	1,530		1,530				3,060		
Fuel & Utilities - 180	3,011		3,011				6,022		
Supplies - 190	10,950		10,950				21,900		
Professional Development - 320	4,298		4,298				8,596		
Communic Serv & Supplies - 340	1,875		1,875				3,750		
M&R Services - 430	4,500		4,500				9,000		9,000
Office Equipment - 580	17,880		17,880				35,760		35,760
Property & Improvements - 640	43,343		43,343				86,686		86,685
Building Lease Payments - 680	128		128				256		
Professional Services - 400	477,469		477,469				954,938		
Total EE	564,984		564,984		0		1,129,968		131,445
Program Distributions	39,719,100		68,575,200				108,294,300		
Total PSD	39,719,100		68,575,200		0		108,294,300		0
Transfers							0		
Total TRF	0		0		0		0		0
Grand Total	40,570,086	7.5	69,426,186	7.5	0	0.0	109,996,272	15.0	131,445

NEW DECISION ITEM
RANK: 21 OF 29

Department: Social Services
Division: MO HealthNet
DI Name Statewide Managed Care Transition

Budget Unit: 90551C, 90512C, and 90522C
DI# 1886038

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
							0	0.0	
Total PS	<u>0</u>	0.0	<u>0</u>	0.0	<u>0</u>	0.0	<u>0</u>	0.0	<u>0</u>
							0		
Total EE	<u>0</u>		<u>0</u>		<u>0</u>		<u>0</u>		<u>0</u>
Program Distributions							0		
Total PSD	<u>0</u>		<u>0</u>		<u>0</u>		<u>0</u>		<u>0</u>
Transfers							0		
Total TRF	<u>0</u>		<u>0</u>		<u>0</u>		<u>0</u>		<u>0</u>
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0

NEW DECISION ITEM
RANK: 21 OF 29

Department: Social Services
Division: MO HealthNet
DI Name Statewide Managed Care Transition

Budget Unit: 90551C, 90512C, and 90522C
DI# 1886038

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

N/A

6b. Provide an efficiency measure.

N/A

6c. Provide the number of clients/individuals served, if applicable.

N/A

6d. Provide a customer satisfaction measure, if available.

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
MO HEALTHNET ADMIN								
Statewide Mgd Care Transition - 1886038								
MANAGEMENT ANALYSIS SPEC II	0	0.00	0	0.00	41,940	1.00	0	0.00
PROGRAM DEVELOPMENT SPEC	0	0.00	0	0.00	40,380	1.00	0	0.00
CORRESPONDENCE & INFO SPEC I	0	0.00	0	0.00	69,888	2.00	0	0.00
MEDICAID TECHNICIAN	0	0.00	0	0.00	130,512	4.00	0	0.00
MEDICAID SPEC	0	0.00	0	0.00	225,288	6.00	0	0.00
SOCIAL SERVICES MNGR, BAND 2	0	0.00	0	0.00	63,996	1.00	0	0.00
TOTAL - PS	0	0.00	0	0.00	572,004	15.00	0	0.00
TRAVEL, IN-STATE	0	0.00	0	0.00	3,060	0.00	0	0.00
FUEL & UTILITIES	0	0.00	0	0.00	6,022	0.00	0	0.00
SUPPLIES	0	0.00	0	0.00	21,900	0.00	0	0.00
PROFESSIONAL DEVELOPMENT	0	0.00	0	0.00	8,596	0.00	0	0.00
COMMUNICATION SERV & SUPP	0	0.00	0	0.00	3,750	0.00	0	0.00
PROFESSIONAL SERVICES	0	0.00	0	0.00	954,938	0.00	0	0.00
M&R SERVICES	0	0.00	0	0.00	9,000	0.00	0	0.00
OFFICE EQUIPMENT	0	0.00	0	0.00	35,760	0.00	0	0.00
PROPERTY & IMPROVEMENTS	0	0.00	0	0.00	86,686	0.00	0	0.00
BUILDING LEASE PAYMENTS	0	0.00	0	0.00	256	0.00	0	0.00
TOTAL - EE	0	0.00	0	0.00	1,129,968	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$1,701,972	15.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$850,986	7.50		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$850,986	7.50		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
MANAGED CARE								
Statewide Mgd Care Transition - 1886038								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	108,294,300	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	108,294,300	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$108,294,300	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$39,719,100	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$68,575,200	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

ABLE Program

NEW DECISION ITEM

RANK: 22 OF 29

Department of Social Services
Division MO HealthNet
DI Name SB 174 ABLE

Budget Unit: 90541C, 90544C, 90546C, 90564C, 90550C, 90577C, 90552C

DI# 1886011

1. AMOUNT OF REQUEST

	FY 2017 Budget Request			
	GR	Federal	Other	Total
PS	0	0	0	0
EE	0	0	0	0
PSD	2,797,510	7,318,050	1,441,141	11,556,701
TRF	0	0	0	0
Total	2,797,510	7,318,050	1,441,141	11,556,701
 FTE	 0.00	 0.00	 0.00	 0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Federal Reimbursement Allowance (0142)
Pharmacy Federal Reimbursement Allowance (0144)
Health Initiatives Fund (0275)

	FY 2017 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0
 FTE				 0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

<input checked="" type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/> Other:	

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

This request funds services for additional individuals who will become eligible for full Medicaid benefits as a result of SB 174 (2015) which creates the Missouri Achieving a Better Life Experience (ABLE) program, in accordance with section 529A of the Internal Revenue Code. This legislation allows individuals with disabilities who have higher assets a greater ability to become eligible for Medicaid through the creation of ABLE accounts.

The state authority is sections 166.600-166.645, RSMo.

NEW DECISION ITEM
RANK: 22 OF 29

Department of Social Services
Division MO HealthNet
DI Name SB 174 ABLE

Budget Unit: 90541C, 90544C, 90546C, 90564C, 90550C, 90577C, 90552C

DI# 1886011

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

Under this legislation, a participant may make tax-deductible contributions to an account established for the purpose of financing the qualified disability expenses of a designated beneficiary. Designated beneficiaries are persons who are entitled to benefits based on a disability which must have occurred prior to turning 26. Persons

This legislation will allow more individuals to become eligible for the full Medicaid benefit because individuals with higher assets who were previously ineligible will now qualify under existing Medicaid eligibility tests. Furthermore, there is no provision authorizing Medicaid to recover funds from a beneficiary's trust upon death. FSD identified 634 individuals will become eligible for full Medicaid services as a result of this bill. Projections are based on the TAFP fiscal note for the bill.

- 55 individuals currently classified as Qualified Medicare Beneficiaries (QMB)
- 56 individuals currently classified as Specified Low-Income Medicare Beneficiaries (SLMB)
- 220 individuals that were previously rejected whose resources exceeded the maximum threshold
- 303 individuals from an unknown population who previously chose not to apply due to current resource limits.

In FY14, the annual cost to serve persons with disabilities was \$20,451. The annual cost of the Medicare premiums currently paid for QMBs and SLMBs is then reduced from total cost and a 1.9% inflation factor is added.

FY14 Cost per Person \$20,451

	Individuals	FY14 Cost	Premium Offset	Total Annual Cost
QMB	55	\$1,124,805	-\$337,728	\$787,077
SLMB	56	\$1,145,256	-\$75,948	\$1,069,308
Rejections*	220	\$3,288,180		\$3,288,180
Unknown	303	\$6,196,653		\$6,196,653
	634	\$11,754,894	-\$413,676	\$11,341,218

	GR	Federal	Other	Total
Total NDI	\$2,797,510	\$7,318,050	\$1,441,141	\$11,556,701

*Assumes individuals would gradually be approved within six months of application as they spent their assets down below the applicable resource limit

NEW DECISION ITEM
RANK: 22 OF 29

Department of Social Services
Division MO HealthNet
DI Name SB 174 ABLE

Budget Unit: 90541C, 90544C, 90546C, 90564C, 90550C, 90577C, 90552C

DI# 1886011

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0	0	0	0	0	0	0	0
Total EE	0		0		0		0		0
Program Distributions	2,797,510		7,318,050		1,441,141		11,556,701		
Total PSD	2,797,510		7,318,050		1,441,141		11,556,701		0
Transfers									
Total TRF	-		-		-		-		0
Grand Total	2,797,510	-	7,318,050	-	1,441,141	-	11,556,701	0	0

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions							0		
Total PSD	0		0		0		0		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0

RANK: 22 NEW DECISION ITEM
OF 29

Department of Social Services
Division MO HealthNet
DI Name SB 174 ABLE

Budget Unit: 90541C, 90544C, 90546C, 90564C, 90550C, 90577C, 90552C

DI# 1886011

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

N/A

6b. Provide an efficiency measure.

N/A

6c. Provide the number of clients/individuals served, if applicable.

N/A

6d. Provide a customer satisfaction measure, if available.

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
DENTAL								
ABLE Accounts - 1886039								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	11,454	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	11,454	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$11,454	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$2,773	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$7,253	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$1,428	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
HOME HEALTH								
ABLE Accounts - 1886039								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	12,637	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	12,637	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$12,637	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$3,059	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$8,002	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$1,576	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
REHAB AND SPECIALTY SERVICES								
ABLE Accounts - 1886039								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	906,381	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	906,381	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$906,381	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$219,406	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$573,948	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$113,027	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
COMPLEX REHAB TECHNLOGY PRODUCTS								
ABLE Accounts - 1886039								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	86,517	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	86,517	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$86,517	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$23,927	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$62,590	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
HOSPITAL CARE								
ABLE Accounts - 1886039								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	3,409,890	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	3,409,890	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$3,409,890	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$822,442	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$2,151,440	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$436,008	0.00		0.00

Transfer Increase Authority

NEW DECISION ITEM
RANK: 25 OF: 29

Department: Social Services
Division: MO HealthNet
DI Name: FY17 Transfer Authority

Budget Unit: 90535C, 90537C, 90840C, 90845C, 90572C

DI#: 1886037

1. AMOUNT OF REQUEST

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	0	42,910,133	12,046,588	54,956,721
TRF				0
Total	0	42,910,133	12,046,588	54,956,721
FTE				0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: DSS Intergovernmental Transfer Fund (0139)

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total	0	0	0	0
FTE				0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input checked="" type="checkbox"/> Increase Authority	

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

Based on projected MO HealthNet transfers for fiscal year 2017, it is anticipated that additional non-count appropriation authority will be necessary to support increased DMH payments through the DMH Intergovernmental Transfer.

NEW DECISION ITEM

RANK: 25 OF: 29

Department: Social Services

Budget Unit: 90535C, 90537C, 90840C, 90845C, 90572C

Division: MO HealthNet

DI Name: FY17 Transfer Authority

DI#: 1886037

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number

The DMH Intergovernmental Transfer provides payments for Community Psychiatric Rehabilitation (CPR) and Comprehensive Substance Abuse Treatment and Based on FY 2017 projections, additional authority is needed as follows:

Estimated Shortfalls

	GR	Federal	Other	Total
DMH IGT	\$0	\$42,910,133	\$12,046,588	\$54,956,721
FY17 Increased Need*	\$0	\$42,910,133	\$12,046,588	\$54,956,721

NEW DECISION ITEM

RANK: 25 OF: 29

Department: Social Services

Budget Unit: 90535C, 90537C, 90840C, 90845C, 90572C

Division: MO HealthNet

DI Name: FY17 Transfer Authority

DI#: 1886037

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	0		42,910,133		12,046,588		54,956,721		
Total PSD	0		42,910,133		12,046,588		54,956,721		0
Transfers							0		
Total TRF	0		0		0		0		0
Grand Total	0	0.0	42,910,133	0.0	12,046,588	0.0	54,956,721	0.0	0

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions									
Total PSD	0		0		0		0		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0

RANK: **NEW DECISION ITEM**
25 **OF:** **29**

Department: Social Services
Division: MO HealthNet
DI Name: FY17 Transfer Authority

Budget Unit: 90535C, 90537C, 90840C, 90845C, 90572C
DI#: 1886037

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

Since this decision item is a combined request for the increase in authority of several funds, measures are incorporated in the individual program descriptions.

6b. Provide an efficiency measure.

Since this decision item is a combined request for the increase in authority of several funds, measures are incorporated in the individual program descriptions.

6c. Provide the number of clients/individuals served, if applicable.

Since this decision item is a combined request for the increase in authority of several funds, measures are incorporated in the individual program descriptions.

6d. Provide a customer satisfaction measure, if available.

Since this decision item is a combined request for the increase in authority of several funds, measures are incorporated in the individual program descriptions.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
IGT EXPEND TRANSFER								
Transfer Increase Authority - 1886037								
TRANSFERS OUT	0	0.00	0	0.00	248,265	0.00	0	0.00
TOTAL - TRF	0	0.00	0	0.00	248,265	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$248,265	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$248,265	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
IGT DMH MEDICAID PROGRAM								
Transfer Increase Authority - 1886037								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	54,956,721	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	54,956,721	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$54,956,721	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$42,910,133	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$12,046,588	0.00		0.00

Mo Healthnet Administration

DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
MO HEALTHNET ADMIN								
CORE								
PERSONAL SERVICES								
GENERAL REVENUE	2,689,464	53.31	2,620,857	64.53	2,620,857	64.53	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	5,321,540	123.30	5,395,307	124.97	5,395,307	124.97	0	0.00
THIRD PARTY LIABILITY COLLECT	366,874	8.54	390,618	12.29	390,618	12.29	0	0.00
FEDERAL REIMBURSEMENT ALLOWANCE	0	0.00	95,746	2.00	95,746	2.00	0	0.00
PHARMACY REIMBURSEMENT ALLOWAN	22,091	0.50	26,085	0.50	26,085	0.50	0	0.00
NURSING FAC QUALITY OF CARE	77,951	1.91	84,344	2.45	84,344	2.45	0	0.00
HEALTH INITIATIVES	329,643	8.00	421,893	9.87	421,893	9.87	0	0.00
MISSOURI RX PLAN FUND	449,371	10.38	760,005	17.00	760,005	17.00	0	0.00
AMBULANCE SERVICE REIMB ALLOW	0	0.00	18,018	0.50	18,018	0.50	0	0.00
TOTAL - PS	9,256,934	205.94	9,812,873	234.11	9,812,873	234.11	0	0.00
EXPENSE & EQUIPMENT								
GENERAL REVENUE	652,903	0.00	693,067	0.00	693,067	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	3,250,869	0.00	3,333,341	0.00	3,333,341	0.00	0	0.00
THIRD PARTY LIABILITY COLLECT	474,759	0.00	488,041	0.00	488,041	0.00	0	0.00
FEDERAL REIMBURSEMENT ALLOWANCE	7,708	0.00	7,708	0.00	7,708	0.00	0	0.00
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	356	0.00	356	0.00	0	0.00
NURSING FAC QUALITY OF CARE	10,281	0.00	10,281	0.00	10,281	0.00	0	0.00
HEALTH INITIATIVES	40,143	0.00	41,385	0.00	41,385	0.00	0	0.00
MISSOURI RX PLAN FUND	0	0.00	55,553	0.00	55,553	0.00	0	0.00
AMBULANCE SERVICE REIMB ALLOW	3,466	0.00	3,466	0.00	3,466	0.00	0	0.00
TOTAL - EE	4,440,129	0.00	4,633,198	0.00	4,633,198	0.00	0	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	95,356	0.00	699	0.00	699	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	1,030	0.00	1,030	0.00	0	0.00
THIRD PARTY LIABILITY COLLECT	13,283	0.00	0	0.00	0	0.00	0	0.00
TOTAL - PD	108,639	0.00	1,729	0.00	1,729	0.00	0	0.00
TOTAL	13,805,702	205.94	14,447,800	234.11	14,447,800	234.11	0	0.00
Statewide Mgd Care Transition - 1886038								
PERSONAL SERVICES								
GENERAL REVENUE	0	0.00	0	0.00	286,002	7.50	0	0.00

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DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
MO HEALTHNET ADMIN								
Statewide Mgd Care Transition - 1886038								
PERSONAL SERVICES								
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	286,002	7.50	0	0.00
TOTAL - PS	0	0.00	0	0.00	572,004	15.00	0	0.00
EXPENSE & EQUIPMENT								
GENERAL REVENUE	0	0.00	0	0.00	564,984	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	564,984	0.00	0	0.00
TOTAL - EE	0	0.00	0	0.00	1,129,968	0.00	0	0.00
TOTAL	0	0.00	0	0.00	1,701,972	15.00	0	0.00
GRAND TOTAL	\$13,805,702	205.94	\$14,447,800	234.11	\$16,149,772	249.11	\$0	0.00

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CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: MO HealthNet Administration

Budget Unit: 90512C

HB Section: 11.400

1. CORE FINANCIAL SUMMARY

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS	2,620,857	5,395,307	1,796,709	9,812,873
EE	693,067	3,333,341	606,790	4,633,198
PSD	699	1,030		1,729
TRF				
Total	3,314,623	8,729,678	2,403,499	14,447,800

FTE 64.53 124.97 44.61 234.11

Est. Fringe	1,367,255	2,735,195	941,065	5,043,515
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Pharmacy Reimbursement Allowance Fund (0144)
Health Initiatives Fund (HIF) (0275)
Nursing Facility Quality of Care Fund (NFQC) (0271)
Third Party Liability Collections Fund (TPL) (0120)
MO Rx Plan Fund (0779)
Federal Reimbursement Allowance Fund (FRA) (0142)
Ambulance Service Reimbursement Allowance Fund (0958)

2. CORE DESCRIPTION

This core request is for the continued operation of the MO HealthNet program. The MO HealthNet Division seeks to aid participants and providers in their efforts to access the MO HealthNet program by utilizing administrative staffing, expense and equipment and contractor resources efficiently and effectively.

3. PROGRAM LISTING (list programs included in this core funding)

MO HealthNet Administration

CORE DECISION ITEM

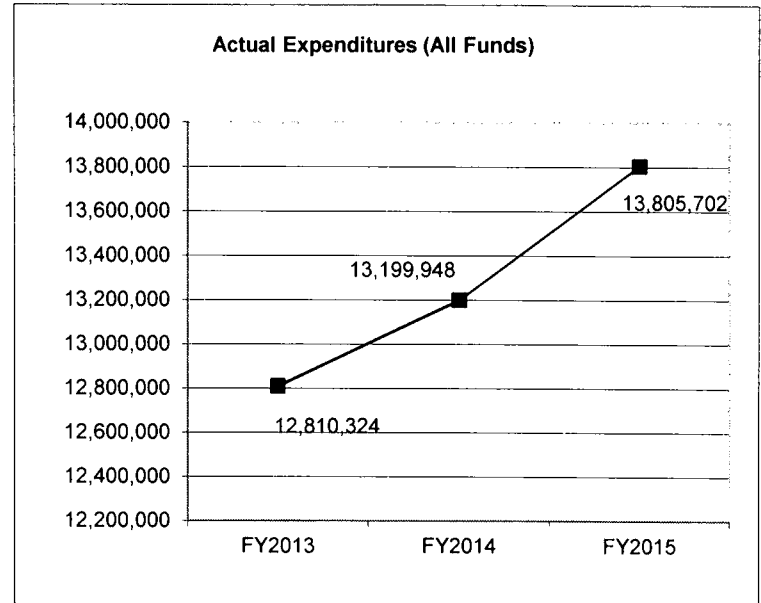
Department: Social Services
Division: MO HealthNet
Core: MO HealthNet Administration

Budget Unit: 90512C

HB Section: 11.400

4. FINANCIAL HISTORY

	FY2013 Actual	FY2014 Actual	FY2015 Actual	FY2016 Current Yr.
Appropriation (All Funds)	14,127,453	14,626,180	14,716,493	14,447,800
Less Reverted (All Funds)	(115,584)	(119,552)	(120,141)	N/A
Less Restricted (All Funds)	-	-	-	N/A
Budget Authority (All Funds)	14,011,869	14,506,628	14,596,352	N/A
Actual Expenditures (All Funds)	12,810,324	13,199,948	13,805,702	N/A
Unexpended (All Funds)	1,201,545	1,306,680	790,650	N/A
Unexpended, by Fund:				
General Revenue	27	1,939	0	N/A
Federal	634,479	731,123	206,849	N/A
Other	567,039	570,618	583,801	N/A



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES MO HEALTHNET ADMIN

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PS	234.11	2,620,857	5,395,307	1,796,709	9,812,873	
	EE	0.00	693,067	3,333,341	606,790	4,633,198	
	PD	0.00	699	1,030	0	1,729	
	Total	234.11	3,314,623	8,729,678	2,403,499	14,447,800	
DEPARTMENT CORE REQUEST							
	PS	234.11	2,620,857	5,395,307	1,796,709	9,812,873	
	EE	0.00	693,067	3,333,341	606,790	4,633,198	
	PD	0.00	699	1,030	0	1,729	
	Total	234.11	3,314,623	8,729,678	2,403,499	14,447,800	
GOVERNOR'S RECOMMENDED CORE							
	PS	234.11	2,620,857	5,395,307	1,796,709	9,812,873	
	EE	0.00	693,067	3,333,341	606,790	4,633,198	
	PD	0.00	699	1,030	0	1,729	
	Total	234.11	3,314,623	8,729,678	2,403,499	14,447,800	

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
MO HEALTHNET ADMIN								
CORE								
OFFICE SUPPORT ASST (CLERICAL)	20,121	0.92	24,272	1.00	24,272	1.00	0	0.00
ADMIN OFFICE SUPPORT ASSISTANT	134,481	4.52	211,343	7.00	211,343	7.00	0	0.00
OFFICE SUPPORT ASST (KEYBRD)	34,618	1.53	78,713	3.00	78,713	3.00	0	0.00
SR OFC SUPPORT ASST (KEYBRD)	254,105	9.93	309,364	11.00	309,364	11.00	0	0.00
ACCOUNT CLERK II	79,567	3.16	131,394	5.00	131,394	5.00	0	0.00
AUDITOR II	124,813	3.34	150,176	4.00	150,176	4.00	0	0.00
AUDITOR I	98,758	2.90	164,224	5.00	164,224	5.00	0	0.00
SENIOR AUDITOR	222,494	5.34	291,981	7.00	291,981	7.00	0	0.00
ACCOUNTANT I	61,247	2.00	61,956	2.00	61,956	2.00	0	0.00
ACCOUNTANT III	166,811	3.98	171,082	4.00	171,082	4.00	0	0.00
PERSONNEL OFCR I	43,254	0.99	42,134	1.00	42,134	1.00	0	0.00
EXECUTIVE II	29,975	0.83	36,197	1.00	36,197	1.00	0	0.00
MANAGEMENT ANALYSIS SPEC II	335,377	7.65	392,866	9.00	392,866	9.00	0	0.00
HEALTH PROGRAM REP III	0	0.00	1	0.00	1	0.00	0	0.00
ADMINISTRATIVE ANAL I	14,880	0.41	0	0.00	0	0.00	0	0.00
PHYSICIAN	119,331	1.00	119,897	1.00	119,897	1.00	0	0.00
REGISTERED NURSE - CLIN OPERS	287,082	5.22	248,834	4.00	248,834	4.00	0	0.00
FAMILY SUPPORT ELIGIBILITY SPC	614	0.02	0	0.00	0	0.00	0	0.00
PROGRAM DEVELOPMENT SPEC	634,225	15.59	577,013	14.00	577,013	14.00	0	0.00
MEDICAID PROGRAM RELATIONS REP	165,125	4.11	192,181	5.00	192,181	5.00	0	0.00
CORRESPONDENCE & INFO SPEC I	581,379	16.60	615,178	17.50	615,178	17.50	0	0.00
MEDICAID PHARMACEUTICAL TECH	213,101	6.55	226,755	7.00	226,755	7.00	0	0.00
MEDICAID CLERK	227,958	8.01	264,108	10.00	264,108	10.00	0	0.00
MEDICAID TECHNICIAN	702,048	21.72	955,572	28.66	955,572	28.66	0	0.00
MEDICAID SPEC	943,317	24.68	1,044,723	27.87	1,044,723	27.87	0	0.00
MEDICAID UNIT SPV	267,574	6.02	552,845	11.00	552,845	11.00	0	0.00
FISCAL & ADMINISTRATIVE MGR B1	324,754	6.42	301,032	6.00	301,032	6.00	0	0.00
FISCAL & ADMINISTRATIVE MGR B2	322,756	5.06	383,584	6.00	383,584	6.00	0	0.00
RESEARCH MANAGER B1	0	0.00	55,454	1.00	55,454	1.00	0	0.00
SOCIAL SERVICES MGR, BAND 1	172,024	3.49	100,086	2.00	100,086	2.00	0	0.00
SOCIAL SERVICES MNGR, BAND 2	613,712	11.00	719,868	13.00	719,868	13.00	0	0.00
DESIGNATED PRINCIPAL ASST DEPT	15,030	0.20	0	0.00	0	0.00	0	0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
MO HEALTHNET ADMIN								
CORE								
DIVISION DIRECTOR	204,436	1.00	205,346	1.00	205,346	1.00	0	0.00
DEPUTY DIVISION DIRECTOR	219,281	1.87	90,402	1.00	90,402	1.00	0	0.00
DESIGNATED PRINCIPAL ASST DIV	182,034	2.11	93,088	1.08	93,088	1.08	0	0.00
LEGAL COUNSEL	94,407	1.28	72,798	1.00	72,798	1.00	0	0.00
CLERK	765	0.04	0	0.00	0	0.00	0	0.00
AUDITOR	8,585	0.21	0	0.00	0	0.00	0	0.00
MISCELLANEOUS TECHNICAL	645	0.01	0	0.00	0	0.00	0	0.00
MISCELLANEOUS PROFESSIONAL	53,047	0.92	0	0.00	0	0.00	0	0.00
SPECIAL ASST PROFESSIONAL	1,210,767	13.87	820,536	13.00	820,536	13.00	0	0.00
SPECIAL ASST OFFICE & CLERICAL	57,480	1.23	107,870	3.00	107,870	3.00	0	0.00
REGISTERED NURSE	14,956	0.21	0	0.00	0	0.00	0	0.00
TOTAL - PS	9,256,934	205.94	9,812,873	234.11	9,812,873	234.11	0	0.00
TRAVEL, IN-STATE	3,515	0.00	5,370	0.00	5,370	0.00	0	0.00
TRAVEL, OUT-OF-STATE	5,027	0.00	3,786	0.00	3,786	0.00	0	0.00
SUPPLIES	340,502	0.00	392,773	0.00	392,773	0.00	0	0.00
PROFESSIONAL DEVELOPMENT	87,639	0.00	45,576	0.00	45,576	0.00	0	0.00
COMMUNICATION SERV & SUPP	89,084	0.00	90,000	0.00	90,000	0.00	0	0.00
PROFESSIONAL SERVICES	3,891,710	0.00	4,047,755	0.00	4,054,243	0.00	0	0.00
M&R SERVICES	14,459	0.00	5,000	0.00	5,000	0.00	0	0.00
COMPUTER EQUIPMENT	0	0.00	6,488	0.00	0	0.00	0	0.00
OFFICE EQUIPMENT	6,742	0.00	17,152	0.00	17,152	0.00	0	0.00
OTHER EQUIPMENT	0	0.00	2,462	0.00	2,462	0.00	0	0.00
PROPERTY & IMPROVEMENTS	0	0.00	6,241	0.00	6,241	0.00	0	0.00
BUILDING LEASE PAYMENTS	0	0.00	900	0.00	900	0.00	0	0.00
EQUIPMENT RENTALS & LEASES	0	0.00	2,449	0.00	2,449	0.00	0	0.00
MISCELLANEOUS EXPENSES	1,451	0.00	7,246	0.00	7,246	0.00	0	0.00
TOTAL - EE	4,440,129	0.00	4,633,198	0.00	4,633,198	0.00	0	0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
MO HEALTHNET ADMIN								
CORE								
PROGRAM DISTRIBUTIONS	108,639	0.00	1,729	0.00	1,729	0.00	0	0.00
TOTAL - PD	108,639	0.00	1,729	0.00	1,729	0.00	0	0.00
GRAND TOTAL	\$13,805,702	205.94	\$14,447,800	234.11	\$14,447,800	234.11	\$0	0.00
GENERAL REVENUE	\$3,437,723	53.31	\$3,314,623	64.53	\$3,314,623	64.53		0.00
FEDERAL FUNDS	\$8,572,409	123.30	\$8,729,678	124.97	\$8,729,678	124.97		0.00
OTHER FUNDS	\$1,795,570	29.33	\$2,403,499	44.61	\$2,403,499	44.61		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.400

Program Name: MO HealthNet Administration

Program is found in the following core budget(s): MO HealthNet Administration

1. What does this program do?

In order to efficiently operate the \$9.4 billion MO HealthNet program (also known as Missouri Medicaid), the MO HealthNet Division effectively utilizes its appropriated staff of 234.11 FTE. The staff running the MO HealthNet program account for less than 0.43% of total state employees while the MO HealthNet program comprises 26.0% of the total FY 2016 state operating budget of \$36.1 billion. The Administrative portion of the budget (Personal Services and Expense and Equipment) comprises less than 0.2% of the division's total budget. As of June 2015, there were a total of 944,257 participants enrolled in MO HealthNet. MO HealthNet Division's staff assist participants as well as providers.

Administrative expenditures for the division consist of Personal Services and Expense and Equipment. These expenditures are driven by the operational demands of supporting the MO HealthNet program. The division operates both a fee-for-service program and a managed care program. As of June 2015, there were 459,380 participants in capitated managed care in the Eastern, Central and Western regions of the state and 484,877 MO HealthNet participants in the fee-for-service programs.

Personal Services

The Division is structured into five major sections: (1) Administration; (2) Finance; (3) Program Operations; (4) Evidenced-Based Decision Support; and (5) Information Systems.

Administration

- Establishes goals, objectives, policies, and procedures; provides overall guidance and direction; coordinates legislative guidance on MO HealthNet issues; and completes final review of the budget and State Plan Amendments.

Finance

- Financial Operations and Recoveries Unit - Manages the financial procedures of the division; creates internal expenditure reports; prepares adjustments to claims; receives and deposits payments; manages provider account receivables and IRS 1099 information; manages lock box, automatic withdrawals and cash deposits for CHIP and spenddown pay-in cases; administers a program to offset MO HealthNet expenditures when participants have third party coverage; MMAC liaison; and provides audit support.
- Budget, Analysis and Rate Development Unit - Develops capitation rates with an actuary for Managed Care Program, NEMT and PACE; prepares federal budget neutrality reports; develops and tracks the division's annual budget request; prepares fiscal notes and program projections; prepares quarterly estimates and expenditure reports required by CMS; prepares legislative bill reviews; processes accounts payable for the division; and administers the pharmacy and ambulance tax.
- Institutional Reimbursement - Calculates hospital inpatient and outpatient rates and FQHC/RHC reimbursements; sets nursing home reimbursement rates; and administers hospital, nursing facility and ICF/MR provider taxes.

Key projects in FY2016 for MHD Finance will include managed care geographic expansion planning and implementation and planning for a new third party liability contract, effective July 2016.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.400

Program Name: MO HealthNet Administration

Program is found in the following core budget(s): MO HealthNet Administration

Program Operations

- Managed Care - Oversee contract compliance of three health plans; development and operations of the Managed Care Program; support Managed Care enrollment; and work with providers and participants to increase access and improve health outcomes.
 - Clinical Services Program Management - Provides day-to-day oversight of MO HealthNet benefit programs; creates cost containment initiatives and clinical policy tools to enhance efforts to provide appropriate quality medical care to participants; operationalizes recommendations made by the Evidence-Based Decision Support team.
 - Program Relations - Responsible for provider education, provider communications, participant services and premium collections. Oversees external call centers and resolves claim reimbursement inquiries.
 - Program Operations and Waivers - Develops, monitors and evaluates Federal Waiver programs; coordinates School District Administration Claiming (SDAC) to ensure comprehensive preventative health care program for MO HealthNet eligible children; monitors and evaluates non-emergency transportation contracted vendor.
- Pharmacy - Oversees outpatient prescription drug reimbursement for MO HealthNet eligibles; oversight of contracts with outside vendors for pharmacy program activities; collects rebates from pharmaceutical manufacturers; provides program oversight for Missouri's Pharmacy Assistance Program, MORx.

Evidence-Based Decision Support

- Evidence-Based Decision Support - Develops strategies to improve the health status of MO HealthNet participants; assess quality of care provided under Managed Care and Fee-For-Service; evidence based clinical decision development and support; and patient centered medical home management. This section is lead by the MO HealthNet medical director.

Key projects in FY2016 include, in part:

- Intensive Behavioral Therapy for Childhood and Adult Obesity - This evidence based program is being developed by the division with input from clinical experts. The program will provide intensive behavioral therapy to address obesity in children and adults, with the goals of slowing the rate of obesity and ultimately returning the eligible population to a healthy weight. Evidence shows that these interventions can slow the rate of development of chronic diseases such as diabetes and the concomitant complication, providing cost-savings to Medicaid.
- Telehealth Program - The division is evaluating the current telehealth policy to align with new telehealth developments, research, and national guidelines; developing details of the policy; and beginning the modeling process to determine the financial impact.
- Episodes of Care - The division is evaluating other state models of episodes of care to develop a pilot model to reward providers who deliver cost effective care and who meet quality thresholds and to share costs when benchmarks are not met, initially focusing on a surgical, medical, obstetrics, and a mental health condition.

Information Services

- Information Systems - The primary claims processing system is the Medicaid Management Information System (MMIS). MO HealthNet also manages a clinical management services system for pharmacy and prior authorization. These systems process over 100 million claims and Managed Care encounters annually. The current contracts for these systems may be extended through June 30, 2017. The division has evaluated the options for the future of these systems and determined that a replacement of the MMIS is the best option. The division is currently developing requests for proposals to procure a replacement MMIS. The division also has determined that a separate enterprise data warehouse would better serve the business intelligence and data analytics needs of the entire Medicaid program and is working towards procurement of a solution.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.400

Program Name: MO HealthNet Administration

Program is found in the following core budget(s): MO HealthNet Administration

Expense and Equipment - Approximately 81% of the division's Expense and Equipment expenditures comprise of payments to contractors for professional services including, but not limited to, actuarial services; contracts with health care professionals to conduct utilization claim reviews to determine medical necessity of services; and services of an external quality reviewer as required by federal law.

The remaining 17% of administrative Expense and Equipment expenditures support MO HealthNet staff for such routine operational expenses as supplies, postage and office equipment.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.201; Federal law: Social Security Act Section 1902(a)(4); Federal Regulations: 42 CFR, Part 432

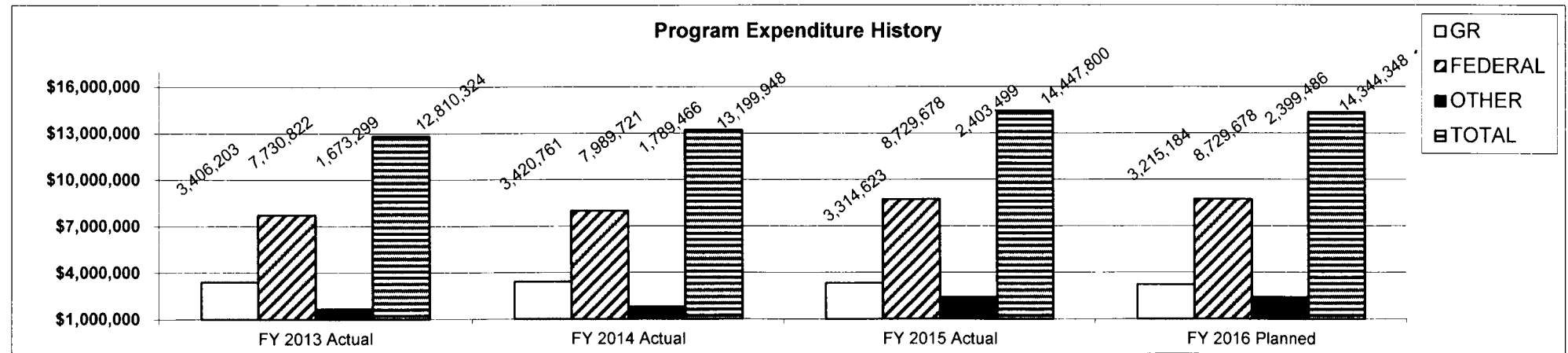
3. Are there federal matching requirements? If yes, please explain.

General Medicaid administrative expenditures earn a 50% federal match. However, some positions earn 75% federal match such as our medical staff. Certain services through contracted vendors, earn 75% or 90% federal match.

4. Is this a federally mandated program? If yes, please explain.

Yes.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY 2016 planned is net of reverted and reserved.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.400

Program Name: MO HealthNet Administration

Program is found in the following core budget(s): MO HealthNet Administration

6. What are the sources of the "Other " funds?

Federal Reimbursement Allowance Fund (0142), Third Party Liability Collections Fund (0120), Nursing Facility Quality of Care Fund (0271), Health Initiatives Fund (0275), Pharmacy Reimbursement Allowance Fund (0144), Missouri Rx Plan Fund (0779) and Ambulance Service Reimbursement Allowance Fund (0958).

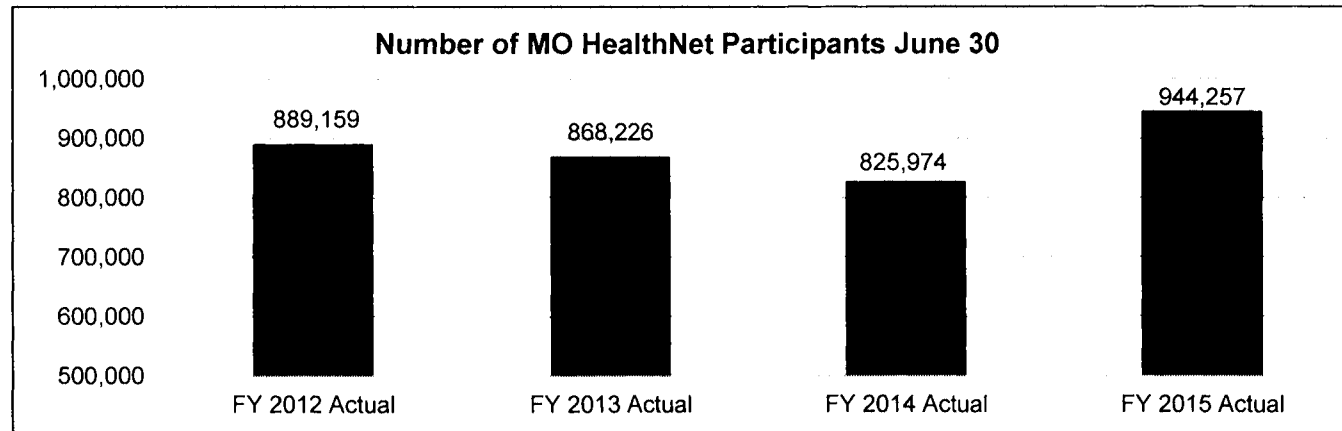
7a. Provide an effectiveness measure.

MO HealthNet Administration supports all division programs. Effectiveness measures can be found in Program sections.

7b. Provide an efficiency measure.

MO HealthNet Administration supports all division programs. Efficiency measures can be found in the Program sections.

7c. Provide the number of clients/individuals served, if applicable.



7d. Provide a customer satisfaction measure, if available.

N/A

Clinical Services Program Management

DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
CLINICAL SRVC MGMT								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	461,870	0.00	461,917	0.00	461,917	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	11,845,642	0.00	12,214,032	0.00	12,214,032	0.00	0	0.00
THIRD PARTY LIABILITY COLLECT	892,586	0.00	924,911	0.00	924,911	0.00	0	0.00
MISSOURI RX PLAN FUND	577,951	0.00	1,560,595	0.00	1,560,595	0.00	0	0.00
TOTAL - EE	13,778,049	0.00	15,161,455	0.00	15,161,455	0.00	0	0.00
TOTAL	13,778,049	0.00	15,161,455	0.00	15,161,455	0.00	0	0.00
GRAND TOTAL	\$13,778,049	0.00	\$15,161,455	0.00	\$15,161,455	0.00	\$0	0.00

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CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Clinical Services Program Management

Budget Unit: 90516C
HB Section: 11.405

1. CORE FINANCIAL SUMMARY

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS				
EE	461,917	12,214,032	2,485,506	15,161,455
PSD				
TRF				
Total	461,917	12,214,032	2,485,506	15,161,455
FTE	0.00	0.00	0.00	0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Third Party Liability Collections (TPL) (0120)
MO Rx Plan Fund (0779)

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0
FTE				0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Third Party Liability Collections (TPL) (0120)
MO Rx Plan Fund (0779)

2. CORE DESCRIPTION

This core request is for contractor costs that support the Pharmacy and Clinical Services programs. Funding is used for cost containment initiatives and clinical policy decision-making to enhance efforts to provide appropriate and quality medical care to participants. MO HealthNet Division seeks to aid participants and providers in their efforts to access the MO HealthNet program by utilizing contractor resources effectively.

3. PROGRAM LISTING (list programs included in this core funding)

Clinical Services Program Management
Missouri Rx Program

CORE DECISION ITEM

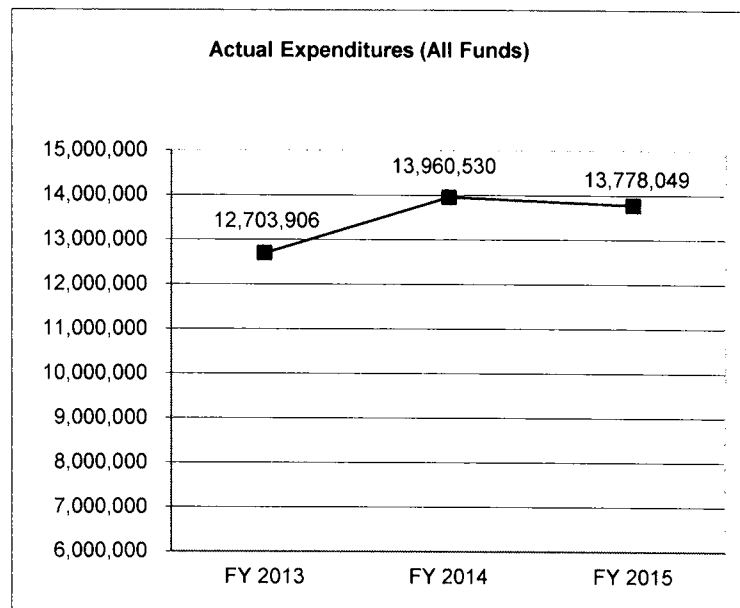
Department: Social Services
Division: MO HealthNet
Core: Clinical Services Program Management

Budget Unit: 90516C

HB Section: 11.405

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	17,784,931	17,775,692	17,775,692	15,161,455
Less Reverted (All Funds)	(14,517)	(14,285)	(14,285)	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	17,770,489	17,761,407	17,761,407	N/A
Actual Expenditures (All Funds)	12,703,906	13,960,530	13,778,049	N/A
Unexpended (All Funds)	5,066,583	3,800,877	3,983,358	N/A
Unexpended, by Fund:				
General Revenue				
Federal	1,040,130	135,205	368,390	N/A
Other	4,026,379	3,665,672	3,614,969	N/A



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
CLINICAL SRVC MGMT**

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	461,917	12,214,032	2,485,506	15,161,455	
	Total	0.00	461,917	12,214,032	2,485,506	15,161,455	
DEPARTMENT CORE REQUEST							
	EE	0.00	461,917	12,214,032	2,485,506	15,161,455	
	Total	0.00	461,917	12,214,032	2,485,506	15,161,455	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	461,917	12,214,032	2,485,506	15,161,455	
	Total	0.00	461,917	12,214,032	2,485,506	15,161,455	

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
CLINICAL SRVC MGMT								
CORE								
TRAVEL, IN-STATE	14,213	0.00	10,859	0.00	10,859	0.00	0	0.00
TRAVEL, OUT-OF-STATE	2,452	0.00	0	0.00	0	0.00	0	0.00
SUPPLIES	361,816	0.00	422,601	0.00	422,601	0.00	0	0.00
PROFESSIONAL DEVELOPMENT	780	0.00	1,000	0.00	1,000	0.00	0	0.00
COMMUNICATION SERV & SUPP	89,052	0.00	91,996	0.00	91,996	0.00	0	0.00
PROFESSIONAL SERVICES	13,262,111	0.00	14,581,936	0.00	14,581,936	0.00	0	0.00
M&R SERVICES	19,267	0.00	33,131	0.00	33,131	0.00	0	0.00
OFFICE EQUIPMENT	6,556	0.00	4,500	0.00	4,500	0.00	0	0.00
OTHER EQUIPMENT	1,234	0.00	7,000	0.00	7,000	0.00	0	0.00
PROPERTY & IMPROVEMENTS	17,798	0.00	250	0.00	250	0.00	0	0.00
BUILDING LEASE PAYMENTS	840	0.00	1,402	0.00	1,402	0.00	0	0.00
MISCELLANEOUS EXPENSES	1,764	0.00	6,780	0.00	6,780	0.00	0	0.00
REBILLABLE EXPENSES	166	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	13,778,049	0.00	15,161,455	0.00	15,161,455	0.00	0	0.00
GRAND TOTAL	\$13,778,049	0.00	\$15,161,455	0.00	\$15,161,455	0.00	\$0	0.00
GENERAL REVENUE	\$461,870	0.00	\$461,917	0.00	\$461,917	0.00		0.00
FEDERAL FUNDS	\$11,845,642	0.00	\$12,214,032	0.00	\$12,214,032	0.00		0.00
OTHER FUNDS	\$1,470,537	0.00	\$2,485,506	0.00	\$2,485,506	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.405

Program Name: Clinical Services Program Management

Program is found in the following core budget(s): Clinical Services Program Management

1. What does this program do?

The funding for Clinical Services Program Management supports contractor costs for Pharmacy and Clinical Services.

Pharmacy

Through the Pharmacy Program, the Division is able to maintain current cost containment initiatives and implement new cost containment initiatives. Major initiatives include:

- Maintenance and Updates to Fiscal and Clinical Edits
- Quarterly Updates to the Missouri Maximum Allowable Cost (MACs)
- Prospective and Retrospective Drug Use Review (DUR)
- Routine/Adhoc Drug Information Research
- Pharmacy Help Desk Staffing
- Enrollment and Administration of Case Management
- Preferred Drug List (PDL) and Supplemental Rebates

These initiatives, along with other cost containment activities, have resulted in pharmacy costs that trend significantly lower than the national trend over the past few years.

Clinical

Major Clinical Services initiatives include:

- Smart Prior Authorization (PA) for Durable Medical Equipment (DME), including Dental and Optometry
- Psychology and Medical Help Desk Staffing
- Major Medical PA, including Radiology Imaging
- Medical Evidence - Oregon Contract

CyberAccessSM

CyberAccessSM is an Electronic Health Record (EHR) program for MO HealthNet participants which is available to their healthcare providers. The web-based tool, called CyberAccess, allows physicians to prescribe electronically, view diagnosis data, receive alerts, select appropriate preferred medications, and electronically request drug and medical prior authorizations for their MO HealthNet patients. The continued funding for CyberAccess is critical to continue to support the pharmacy and medical cost containment initiatives and electronic health records. EPSDT forms and patient specific lab results are currently available through the platform. Linkages to other health record systems yielding interoperability between systems is under development (Health Information Network). A companion participant web portal tool, Direct Inform, has been developed and deployed to pilot providers.

The Clinical Services Program Management unit is also responsible for program development and clinical policy decision-making for MO HealthNet, with these activities oriented to the health and continuum of care needed by MO HealthNet participants. Policy development, benefit design and coverage decisions are made by the unit using best practices and evidence-based medicine.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.405

Program Name: Clinical Services Program Management

Program is found in the following core budget(s): Clinical Services Program Management

Since July 2010, the MO HealthNet Division (MHD), in conjunction with Xerox (formerly ACS-Heritage) and MedSolutions (MSI), implemented a quality-based Radiology Benefit Management Program (RBM). The RBM is an expansion of the existing pre-certification process used for MRIs and CTs of the brain, head, chest and spine. The RBM works to determine clinical appropriateness of the usage of high-tech radiology services, and provides guidelines for application and use based on expert information and evidence-based data. Pre-certification requests are handled using industry-recognized clinical guidelines. These guidelines are used to ensure the appropriate scope, complexity and clinical need of the tests that will be performed to assist in managing costs.

The MHD and Department of Health and Senior Services (DHSS), Division of Senior and Disability Services (DSDS) have implemented a single integrated web-based instrument for entering, tracking and approving Home and Community Based Services (HCBS) requests and follow-up data. The electronic tool (a component of CyberAccess) allows consistent service authorization and delivery to clients with varying needs. The tool is based on a real-time interface with Medicaid claims data to allow automated and transparent processing of requests for services. All HCBS clients are assessed for services using the same tool, employing a rules-based engine to establish a customized service plan based on their specific need.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.201; Federal law: Social Security Act Section 1902(a)(4); Federal Regulations: 42 CFR, Part 432

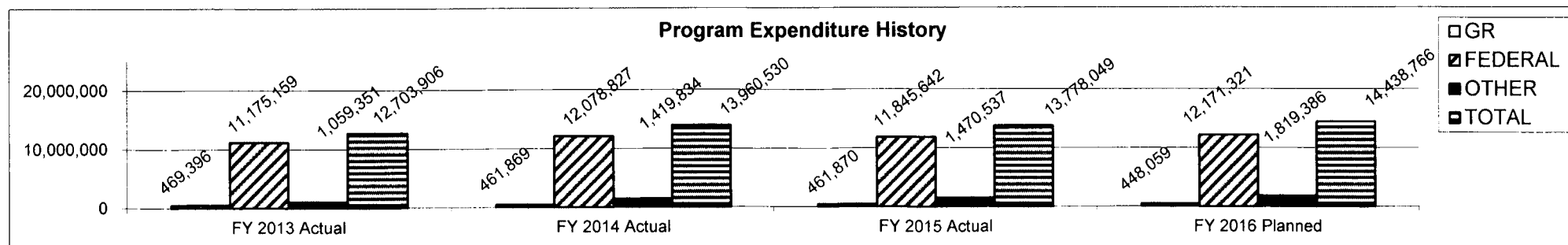
3. Are there federal matching requirements? If yes, please explain.

Generally, MO HealthNet administrative expenditures earn a 50% federal match. The Clinical Management Services for Pharmacy and Prior Authorization is matched at 75%.

4. Is this a federally mandated program? If yes, please explain.

Yes. Section 1902 (a) (4) of the Social Security Act requires such methods of administration as necessary for the proper and efficient administration of the Medicaid State Plan.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY 2016 planned is net of reverted and reserved.

PROGRAM DESCRIPTION

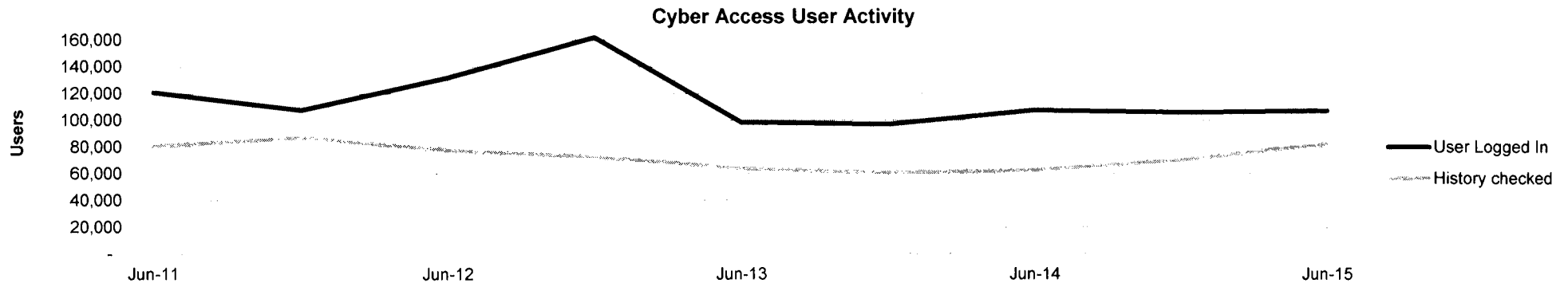
Department: Social Services
 Program Name: Clinical Services Program Management
 Program is found in the following core budget(s): Clinical Services Program Management

HB Section: 11.405

6. What are the sources of the "Other " funds?

FY 2013-FY 2016: Third Party Liability Fund (0120) and Missouri Rx Plan Fund (0779)

7a. Provide an effectiveness measure.



7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

Number of Pharmacy Claims

SFY	Projected	Actual
2013	13.5 mil	13.0 mil
2014	12.9 mil	12.5 mil
2015	12.5 mil	12.3 mil
2016	13.2 mil	
2017	13.2 mil	
2018	13.2 mil	

Source: MMIS Pharmacy Reimbursement Allowance Report

7d. Provide a customer satisfaction measure, if available.

N/A

Womens & Minority Health Care Outreach

DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN	
WOMEN & MINORITY OUTREACH									
CORE									
EXPENSE & EQUIPMENT									
GENERAL REVENUE	529,741	0.00	529,796	0.00	529,796	0.00	0	0.00	
DEPT OF SOC SERV FEDERAL & OTH	546,125	0.00	568,625	0.00	568,625	0.00	0	0.00	
TOTAL - EE	1,075,866	0.00	1,098,421	0.00	1,098,421	0.00	0	0.00	
TOTAL	1,075,866	0.00	1,098,421	0.00	1,098,421	0.00	0	0.00	
GRAND TOTAL	\$1,075,866	0.00	\$1,098,421	0.00	\$1,098,421	0.00	\$0	0.00	

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Women & Minority Health Care Outreach

Budget Unit: 90513C
HB Section: 11.41

1. CORE FINANCIAL SUMMARY

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS				
EE	529,796	568,625		1,098,421
PSD				
TRF				
Total	529,796	568,625		1,098,421

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

This core request is for the continued funding of the Women and Minority Health Care Outreach programs. These programs provide client outreach and education about the MO HealthNet program and reduce disparities in healthcare access for women and minority populations.

3. PROGRAM LISTING (list programs included in this core funding)

Women and Minority Health Care Outreach Program

CORE DECISION ITEM

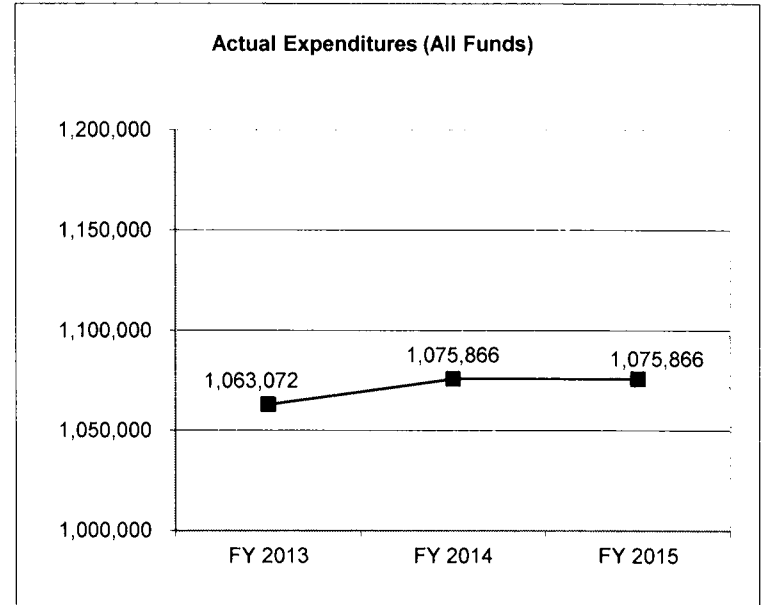
Department: Social Services
Division: MO HealthNet
Core: Women & Minority Health Care Outreach

Budget Unit: 90513C

HB Section: 11.410

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	1,114,750	1,114,750	1,114,750	1,098,421
Less Reverted (All Funds)	(16,384)	(16,384)	(16,384)	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	1,098,366	1,098,366	1,098,366	N/A
Actual Expenditures (All Funds)	1,063,072	1,075,866	1,075,866	N/A
Unexpended (All Funds)	35,294	22,500	22,500	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	35,294	22,500	22,500	N/A
Other	0	0	0	N/A



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES WOMEN & MINORITY OUTREACH

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	529,796	568,625	0	1,098,421	
	Total	0.00	529,796	568,625	0	1,098,421	
DEPARTMENT CORE REQUEST							
	EE	0.00	529,796	568,625	0	1,098,421	
	Total	0.00	529,796	568,625	0	1,098,421	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	529,796	568,625	0	1,098,421	
	Total	0.00	529,796	568,625	0	1,098,421	

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90513C BUDGET UNIT NAME: Women's and Minority Health Care Outreach HOUSE BILL SECTION: 11.410	DEPARTMENT: Social Services DIVISION: MO HealthNet
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1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

DEPARTMENT REQUEST

	Core	% Flex Requested	Flex Requested Amount
<i>Total Program Request</i>	\$1,098,421	10%	\$109,842
	\$1,098,421	25%	\$274,605

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
None.	H.B. 11 language allows for up to 10% flexibility between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.485, 11.490, 11.505, 11.510, 11.550, 11.555, and 11.595 and 25% flexibility for use of this section for managed care.	10% flexibility between sections and 25% flexibility between FFS and Managed Care is being requested for FY 17.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
None.	Flexibility allows DSS to provide continued Medicaid benefits without an interruption in reimbursement to providers or partial payments.

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
WOMEN & MINORITY OUTREACH								
CORE								
PROFESSIONAL SERVICES	1,075,866	0.00	1,098,421	0.00	1,098,421	0.00	0	0.00
TOTAL - EE	1,075,866	0.00	1,098,421	0.00	1,098,421	0.00	0	0.00
GRAND TOTAL	\$1,075,866	0.00	\$1,098,421	0.00	\$1,098,421	0.00	\$0	0.00
GENERAL REVENUE	\$529,741	0.00	\$529,796	0.00	\$529,796	0.00		0.00
FEDERAL FUNDS	\$546,125	0.00	\$568,625	0.00	\$568,625	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.410

Program Name: Women and Minority Health Care Outreach

Program is found in the following core budget(s): Women and Minority Health Care Outreach

1. What does this program do?

The funding in this appropriation provides outreach services in St. Louis, Columbia, Jefferson City, Springfield, the Bootheel, and Kansas City regions targeted at, among other people, African-American men and women at risk of diabetes, cardiovascular disease, HIV/AIDS, sexually transmitted diseases (STDs), and other life-threatening health conditions. The outreach programs also provide needed client outreach and education about the MO HealthNet program.

This program was initiated in the fall of 1999 with five Federally-Qualified Health Centers (FQHCs) and has now expanded to twelve FQHCs in the St Louis, Kansas City, mid-Missouri, Southwest, and Bootheel regions. The outreach program builds on the strengths of the twelve FQHCs that are trusted, accessible sources of care for high-risk African-American populations, and the existence of leaders, often women within the community, to provide outreach and education in their neighborhoods to encourage routine screenings for diabetes and cardiovascular disease and testing for HIV/AIDS and STDs. In the Bootheel area, the outreach program builds on the strengths of a FQHC and county hospital using the Care-A-Van to reach at-risk persons in the largely rural area. Existing health promotion coalitions in the area, including the Bootheel's Heart Health Coalitions and the Missouri Health Alliance are also used in outreach efforts. As part of the outreach program, workers identify eligible participants and help them enroll in the MO HealthNet program.

The Department of Social Services has contracted with the Missouri Primary Care Association (MPCA) to act as a fiscal intermediary for the distribution of the Minority and Women's Health Outreach funding, ensuring accurate and timely payments to the subcontractors and to act as a central data collection point for evaluation of program impact, outcomes, and performance. The MPCA is reimbursed for allowable costs related to establishing and implementing outreach programs not to exceed the appropriation cap. The MPCA is recognized as Missouri's single primary care association by the federal Health Resource Service Administration. The goal of the MPCA is, in part, to partner in the development, maintenance and improvement of access to health care services, and to reduce disparities in health status between majority and minority populations.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.201; Federal law: Social Security Act Section 1903(a); Federal Regulations: 42 CFR, Part 433.15

3. Are there federal matching requirements? If yes, please explain.

General Medicaid administrative expenditures earn a 50% federal match. For every dollar spent, DSS can earn \$0.50 in federal funding

4. Is this a federally mandated program? If yes, please explain.

No.

PROGRAM DESCRIPTION

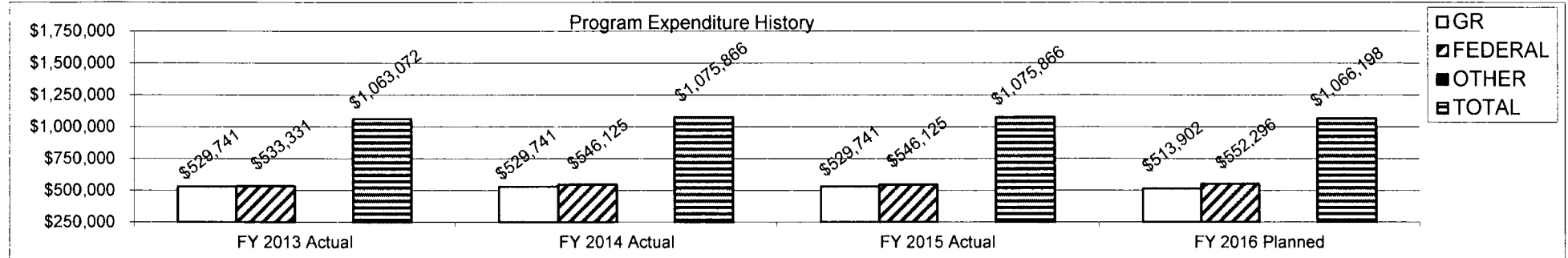
Department: Social Services

HB Section: 11.410

Program Name: Women and Minority Health Care Outreach

Program is found in the following core budget(s): Women and Minority Health Care Outreach

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY 2016 Planned is a net of reverted and reserves.

6. What are the sources of the "Other" funds?

N/A

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

FQHCs and Regional Health Centers (RHCs) in underserved areas provide greater access to health care services for women and minorities and serve as outreach centers to assist individuals in applying for MO HealthNet services.

Number of Users of FQHCs and RHCs Primary Care

SFY	Projected	Actual
2012	123,011	133,965
2013	121,000	137,290
2014	140,000	106,973
2015	120,000	135,010
2016	140,000	
2017	140,000	

Number of Users Receiving Assistance from FQHCs and RHCs in Applying for MO HealthNet

SFY	Projected	Actual
2012	14,117	14,369
2013	15,000	13,645
2014	15,000	13,679
2015	15,000	13,670
2016	15,000	
2017	15,000	

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.410

Program Name: Women and Minority Health Care Outreach

Program is found in the following core budget(s): Women and Minority Health Care Outreach

7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A

TPL Contracts

DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
TPL CONTRACTS								
CORE								
EXPENSE & EQUIPMENT								
DEPT OF SOC SERV FEDERAL & OTH	2,705,182	0.00	3,000,000	0.00	3,000,000	0.00	0	0.00
THIRD PARTY LIABILITY COLLECT	2,705,182	0.00	3,000,000	0.00	3,000,000	0.00	0	0.00
TOTAL - EE	5,410,364	0.00	6,000,000	0.00	6,000,000	0.00	0	0.00
TOTAL	5,410,364	0.00	6,000,000	0.00	6,000,000	0.00	0	0.00
GRAND TOTAL	\$5,410,364	0.00	\$6,000,000	0.00	\$6,000,000	0.00	\$0	0.00

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CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Third Party Liability (TPL) Contracts

Budget Unit: 90515C
HB Section: 11.415

1. CORE FINANCIAL SUMMARY

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS				
EE		3,000,000	3,000,000	6,000,000
PSD				
TRF				
Total		3,000,000	3,000,000	6,000,000

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Third Party Liability Collections Fund (TPL) (0120)

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

This core request is for the continued funding of contracted third party liability (TPL) recovery activities. TPL functions are performed by agency staff in the TPL Unit and by a contractor. This core appropriation is expense and equipment funding and is the source of payments to the contractor who works with the agency on TPL recovery activities.

3. PROGRAM LISTING (list programs included in this core funding)

Third Party Liability Contracts

CORE DECISION ITEM

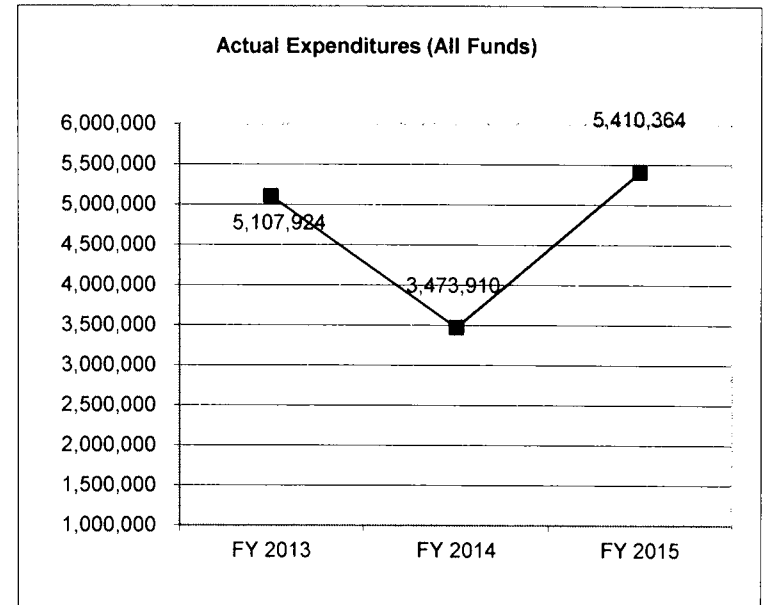
Department: Social Services
Division: MO HealthNet
Core: Third Party Liability (TPL) Contracts

Budget Unit: 90515C

HB Section: 11.415

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	6,000,000	6,000,000	6,000,000	6,000,000
Less Reverted (All Funds)	0	0	0	0
Less Restricted (All Funds)	0	0	0	0
Budget Authority (All Funds)	6,000,000	6,000,000	6,000,000	N/A
Actual Expenditures (All Funds)	5,107,924	3,473,910	5,410,364	N/A
Unexpended (All Funds)	892,076	2,526,090	589,636	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	446,038	446,038	294,818	N/A
Other	446,038	446,038	294,818	N/A



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES TPL CONTRACTS

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	0	3,000,000	3,000,000	6,000,000	
	Total	0.00	0	3,000,000	3,000,000	6,000,000	
DEPARTMENT CORE REQUEST							
	EE	0.00	0	3,000,000	3,000,000	6,000,000	
	Total	0.00	0	3,000,000	3,000,000	6,000,000	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	0	3,000,000	3,000,000	6,000,000	
	Total	0.00	0	3,000,000	3,000,000	6,000,000	

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
TPL CONTRACTS								
CORE								
PROFESSIONAL SERVICES	5,410,364	0.00	6,000,000	0.00	6,000,000	0.00	0	0.00
TOTAL - EE	5,410,364	0.00	6,000,000	0.00	6,000,000	0.00	0	0.00
GRAND TOTAL	\$5,410,364	0.00	\$6,000,000	0.00	\$6,000,000	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$2,705,182	0.00	\$3,000,000	0.00	\$3,000,000	0.00		0.00
OTHER FUNDS	\$2,705,182	0.00	\$3,000,000	0.00	\$3,000,000	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.415

Program Name: Third Party Liability (TPL) Contracts

Program is found in the following core budget(s): Third Party Liability (TPL) Contracts

1. What does this program do?

The Third Party Liability (TPL) program is responsible for cost recovery and cost avoidance of MO HealthNet expenditures. By identifying potentially liable third party sources, MO HealthNet is able to avoid paying costs for services provided or recover costs already incurred. The MO HealthNet program seeks recovery from third-party sources when liability at the time of service had not yet been determined; when the third-party source was not known at the time of MO HealthNet payment; and for services that are federally mandated to be paid and then pursued. TPL functions are performed by both agency staff in the TPL Unit and by a TPL contractor. The TPL contracts appropriation allows for payment to the contractor who works with the agency on TPL recovery and cost avoidance activities. The contractor is paid for its recovery services through a contingency contract rate for cash recoveries of 10% for the first \$10 million recovered and then 8% for any recoveries over \$10 million, which resets annually. There is also a per member per month (PMPM) rate of \$.165 for the cost avoidance services. The TPL program accounted for more than \$287.1 million in savings to the MO HealthNet program in FY 15 by cost avoiding claims and recovering MO HealthNet funds. Health plans in the MO HealthNet Managed Care program are responsible for the TPL activities related to plan enrollees.

Even though some responsibilities are shared, the TPL Unit and the contractor each perform specific cost saving and recovery activities. The TPL Unit concentrates on asserting liens on settlements of trauma-related incidents (which include personal injury, product liability, wrongful death, malpractice, workers' compensation, and traffic accidents). The TPL Unit also files claims for recovery of MO HealthNet expenditures in estate cases; Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) cases; on the personal funds accounts of deceased nursing home residents; and on any excess funds from irrevocable burial plans. For cost avoidance, the TPL Unit operates the Health Insurance Premium Payment (HIPP) program and maintains the TPL data base where participant insurance information is stored. The contractor focuses on bulk billings to insurance carriers and other third parties and data matches to identify potential third parties. The following list itemizes the activities performed by the contractor as compared to those performed by the TPL Unit staff and is followed by descriptions of the primary TPL programs.

Tasks performed by the Contractor:

- Health insurance billing and follow-up;
- Data matches and associated billing (Tricare, MCHCP, and other insurance carriers such as BCBS, United Healthcare and Aetna);
- Provide TPL information for state files;
- Post accounts receivable data to state A/R system; and
- Maintain insurance billing files.

The current contractor is Health Management Systems (HMS). The contractor is paid for services on a contingency basis for recovery activities and a PMPM basis for cost avoidance activities through a portion of cash recoveries. Estate recoveries are performed by the state. Historically, the contractor has been more successful in areas of recovery that the state is unable to pursue due to staff and computer system limitations, for instance, in health insurance recovery.

Tasks performed by the State TPL Staff:

- Liens, updates and follow-up on trauma cases;
- Identify and follow-up on all estate cases;
- Identify, file and follow-up on TEFRA liens;
- Identify and follow-up on personal funds cases;
- Recover any excess funds from irrevocable burial plans;

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.415

Program Name: Third Party Liability (TPL) Contracts

Program is found in the following core budget(s): Third Party Liability (TPL) Contracts

- Operate HIPP program;
- Post recoveries to accounts receivable systems;
- Maintain state TPL databases;
- Verify leads through MMIS contract; and
- Contract oversight.

HIPP Program - The objective of the Health Insurance Premium Payment program (HIPP) is to identify and pay for employer-sponsored insurance policies for MO HealthNet participants to maximize MO HealthNet monies by shifting medical costs to private insurers and exhausting all third party resources before utilizing MO HealthNet.

Trauma Settlement Recovery - The objective is to identify potentially liable third parties and to assert liens on litigation settlements to ensure maximum recovery of MO HealthNet expenditures. Each identification is researched to determine if pursuit is cost effective or even possible.

Personal Funds Recovery - The objective of this program is to identify personal funds account balances of deceased MO HealthNet participants who lived in nursing facilities and recover MO HealthNet expenditures made on behalf of those participants. Nursing facilities are required to pay MO HealthNet within sixty (60) days from the date of death (Section 198.090(7), RSMo).

Burial Plans Recovery - The objective of this program is to recover MO HealthNet expenditures from any excess funds from irrevocable burial plans. Burial lots and irrevocable burial contracts are exempt from consideration in determining MO HealthNet eligibility (Section 208.010, RSMo). The law also provides that if there are excess funds from irrevocable burial plans, the state should recover the excess up to the amount of public assistance benefits provided to the participant.

Estate Recovery - In this program, expenditures are recovered through identification and filing of claims on estates of deceased MO HealthNet participants. Data matches are coordinated with the Department of Health and Senior Services' Vital Statistics, Family Support Division's county offices' staff and cooperation of other public and private groups. When cases are established, staff verify expenditure documentation and assemble data for evidence. The TPL staff appear in court to testify on behalf of the state and explain MO HealthNet policies and procedures.

TEFRA Liens - The Tax Equity and Fiscal Responsibility Act of 1982 authorizes the MO HealthNet program to file a lien as a claim against the real property of certain MO HealthNet participants. The TEFRA lien is for the debt due to the state for medical assistance paid or to be paid on behalf of MO HealthNet.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State: RSMo. 198.090, 208.010, 208.153, 208.215, 473.398, 473.399 and 13 CSR 70-4.120. Federal law: Social Security Act, Section 1902, 1903, 1906, 1912, 1917; Federal regulation: 42 CFR 433 Subpart D.

3. Are there federal matching requirements? If yes, please explain.

General Medicaid administrative expenditures earn a 50% federal match. For every dollar spent, DSS can earn \$0.50 in federal funding.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.415

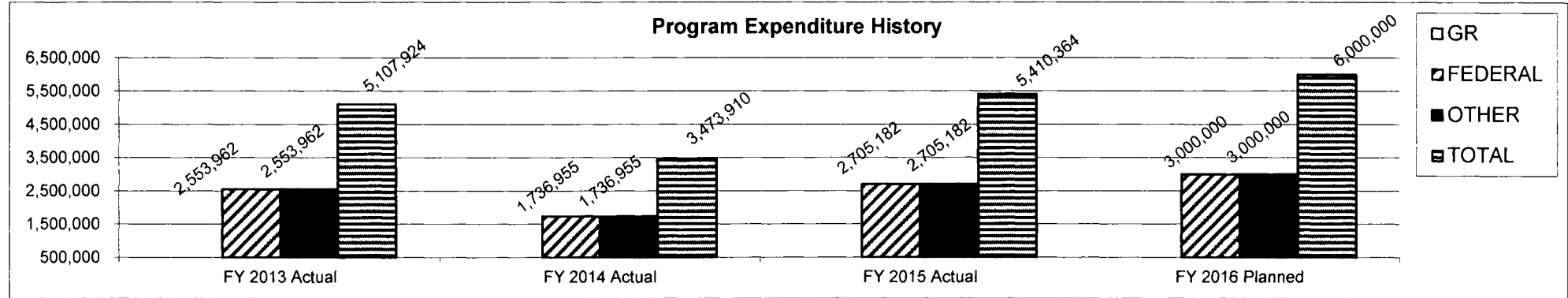
Program Name: Third Party Liability (TPL) Contracts

Program is found in the following core budget(s): Third Party Liability (TPL) Contracts

4. Is this a federally mandated program? If yes, please explain.

Yes, if cost effective. In order to not pursue a TPL claim, the agency must obtain a waiver from CMS by proving that a cost recovery effort is not cost effective.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.

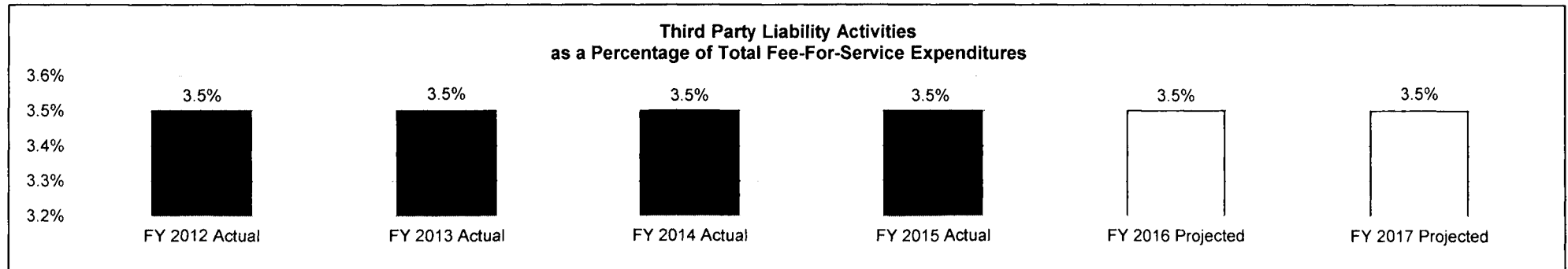


6. What are the sources of the "Other " funds?

Third Party Liability Collections Fund (0120)

7a. Provide an effectiveness measure.

Third Party Liability (TPL) activities within the MO HealthNet Program ensure that liable third-party resources are being utilized as a primary source of payment in lieu of General Revenue. In state fiscal year 20154, TPL activities, including cost avoidance and cash recovery activities, saved 3.5% of total fee-for-service expenditures.



PROGRAM DESCRIPTION

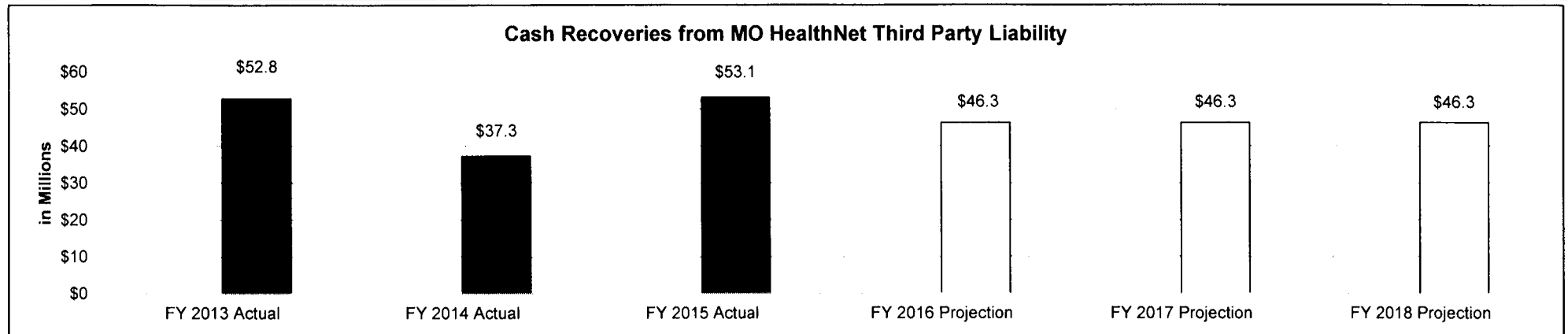
Department: Social Services

HB Section: 11.415

Program Name: Third Party Liability (TPL) Contracts

Program is found in the following core budget(s): Third Party Liability (TPL) Contracts

7b. Provide an efficiency measure.



NOTE: Cash recoveries decreased in FY14 due to changes in how the contractor was posting accounts receivables. FY15 recoveries appear significantly higher than the prior year because there was increased focus on closing accounts receivables posted in FY14 and additional outstanding checks.

Cash Recoveries by Contractor

SFY	Projected	Actual
2013	\$30.0 mil	\$30.9 mil
2014	\$34.0 mil	\$15.2 mil
2015	\$25.0 mil	\$32.3 mil
2016	\$25.0 mil	
2017	\$25.0 mil	
2018	\$25.0 mil	

Cash Recoveries by MHD Staff

SFY	Projected	Actual
2013	\$22.5 mil	\$21.9 mil
2014	\$22.0 mil	\$22.1 mil
2015	\$21.3 mil	\$20.7 mil
2016	\$16.5 mil	
2017	\$16.5 mil	
2018	\$16.5 mil	

MHD is enhancing efforts to obtain timely health insurance carrier information on a proactive basis for MO HealthNet participants to ensure that third party resources are utilized as a primary source of payment in lieu of taxpayer dollars. MHD contracts with a vendor to perform health insurance recoveries and cost avoidance activities. As MHD shifts its focus to cost avoidance, the trend for health insurance cash recoveries will even out or eventually reflect a decrease.

Several developments over the last few years have impacted the collection of cash recoveries. Medicare providers are performing on-line adjustments rather than submitting reimbursement by check. Cash recoveries for the Estate Program have decreased due to the expanded definition of "estate" not being in statute; a court decision regarding spousal recovery; and the elimination of recovering Medicare Part B premiums on or after the date of January 1, 2010. Trauma and casualty tort recoveries have decreased as a result of the Ahlborn class action decision in 2006.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.415

Program Name: Third Party Liability (TPL) Contracts

Program is found in the following core budget(s): Third Party Liability (TPL) Contracts

7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A

Information Systems

DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
INFORMATION SYSTEMS								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	5,542,522	0.00	6,538,940	0.00	6,538,940	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	33,559,924	0.00	44,580,170	0.00	44,580,170	0.00	0	0.00
UNCOMPENSATED CARE FUND	430,000	0.00	0	0.00	0	0.00	0	0.00
HEALTH INITIATIVES	1,543,936	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	41,076,382	0.00	51,119,110	0.00	51,119,110	0.00	0	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	847,343	0.00	847,343	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	10,820,180	0.00	10,820,180	0.00	0	0.00
UNCOMPENSATED CARE FUND	0	0.00	430,000	0.00	430,000	0.00	0	0.00
HEALTH INITIATIVES	0	0.00	1,591,687	0.00	1,591,687	0.00	0	0.00
TOTAL - PD	0	0.00	13,689,210	0.00	13,689,210	0.00	0	0.00
TOTAL	41,076,382	0.00	64,808,320	0.00	64,808,320	0.00	0	0.00
Sustaining MMIS Infrastructure - 1886014								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	0	0.00	0	0.00	4,250,000	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	12,750,000	0.00	0	0.00
TOTAL - EE	0	0.00	0	0.00	17,000,000	0.00	0	0.00
TOTAL	0	0.00	0	0.00	17,000,000	0.00	0	0.00
GRAND TOTAL	\$41,076,382	0.00	\$64,808,320	0.00	\$81,808,320	0.00	\$0	0.00

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im_disummary

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Information Systems

Budget Unit: 90522C

HB Section: 11.420

1. CORE FINANCIAL SUMMARY

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS				
EE	6,538,940	44,580,170		51,119,110
PSD	847,343	10,820,180	2,021,687	13,689,210
TRF				
Total	7,386,283	55,400,350	2,021,687	64,808,320

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Uncompensated Care Fund (0108)
Health Initiatives Fund (0275)

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total	0	0	0	0

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

This core request is for the continued funding of MO HealthNet's Information Systems (IS). Core funding is used to pay for the Medicaid Management Information Systems (MMIS) contract. The MMIS contractor processes fee-for-service claims, managed care encounter data and provides enrollment broker services. Managed care encounter data is processed through the system similar to FFS claims. The data is used by the Managed Care Unit for contract administration and rate setting purposes.

3. PROGRAM LISTING (list programs included in this core funding)

Information Systems

CORE DECISION ITEM

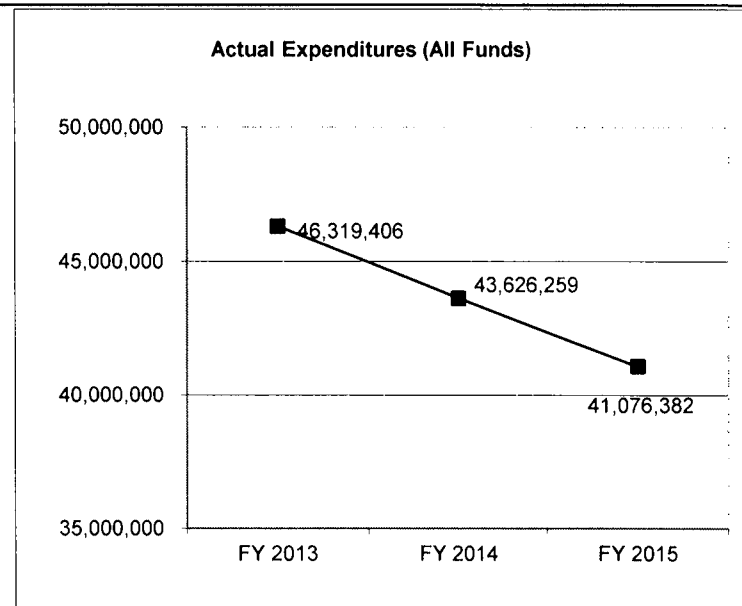
Department: Social Services
Division: MO HealthNet
Core: Information Systems

Budget Unit: 90522C

HB Section: 11.420

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	52,919,110	46,435,977	51,435,977	64,808,320
Less Reverted (All Funds)	(190,618)	(192,919)	(219,169)	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	37,573,942	46,243,058	51,216,808	N/A
Actual Expenditures (All Funds)	46,319,406	43,626,259	41,076,382	N/A
Unexpended (All Funds)	6,409,084	2,616,799	10,140,426	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	6,371,200	2,582,618	10,140,426	N/A
Other	37,885	34,181	0	N/A



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES INFORMATION SYSTEMS

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	6,538,940	44,580,170	0	51,119,110	
	PD	0.00	847,343	10,820,180	2,021,687	13,689,210	
	Total	0.00	7,386,283	55,400,350	2,021,687	64,808,320	
DEPARTMENT CORE REQUEST							
	EE	0.00	6,538,940	44,580,170	0	51,119,110	
	PD	0.00	847,343	10,820,180	2,021,687	13,689,210	
	Total	0.00	7,386,283	55,400,350	2,021,687	64,808,320	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	6,538,940	44,580,170	0	51,119,110	
	PD	0.00	847,343	10,820,180	2,021,687	13,689,210	
	Total	0.00	7,386,283	55,400,350	2,021,687	64,808,320	

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
INFORMATION SYSTEMS								
CORE								
COMMUNICATION SERV & SUPP	0	0.00	898	0.00	898	0.00	0	0.00
PROFESSIONAL SERVICES	41,076,382	0.00	51,118,212	0.00	51,118,212	0.00	0	0.00
TOTAL - EE	41,076,382	0.00	51,119,110	0.00	51,119,110	0.00	0	0.00
PROGRAM DISTRIBUTIONS	0	0.00	13,689,210	0.00	13,689,210	0.00	0	0.00
TOTAL - PD	0	0.00	13,689,210	0.00	13,689,210	0.00	0	0.00
GRAND TOTAL	\$41,076,382	0.00	\$64,808,320	0.00	\$64,808,320	0.00	\$0	0.00
GENERAL REVENUE	\$5,542,522	0.00	\$7,386,283	0.00	\$7,386,283	0.00		0.00
FEDERAL FUNDS	\$33,559,924	0.00	\$55,400,350	0.00	\$55,400,350	0.00		0.00
OTHER FUNDS	\$1,973,936	0.00	\$2,021,687	0.00	\$2,021,687	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.420

Program Name: Information Systems

Program is found in the following core budget(s): Information Systems

1. What does this program do?

The Information Systems (IS) program area includes the contract for the Medicaid Management Information System (MMIS) which is the platform which supports the entire MO HealthNet program. The primary function of Information Systems (IS) is to provide the tools and data needed to support administrative and financial decisions and to process fee-for-service claims and MO HealthNet managed care encounter data. IS focuses on the gathering, maintenance, analysis, output, and security of information and data related to claims and a multitude of claims-related interfaces. It is also responsible for providing the software and hardware support needed to measure, analyze, assess and manipulate this information in the process of decision making, formulating and testing new systems.

The state contracts with a private entity to operate the subsystems of the MMIS. The subsystems include claims processing, management and analysis reporting, surveillance and utilization, reference, provider claim data, participant encounter data, third party liability and financial. In order to maintain quality management of MO HealthNet claims, the MO HealthNet Division requires the fiscal agent to:

- Maintain and enhance a highly automated MO HealthNet claims processing and information retrieval system.
- Process MO HealthNet claims involving over 49,000 providers of 58 different types, such as hospitals, physicians, dentists, ambulance service providers, nursing homes, therapists, hospices, and managed care health plans.
- Perform manual tasks associated with processing MO HealthNet claims, and to retrieve and produce utilization and management information that is required by the Division and/or various agencies within the federal government. For example, semi-annual utilization reports are generated for the Program Integrity Unit to allow staff to detect and investigate over-utilization patterns and abuse. Third party liability (TPL) reports are produced that allow tracking of cost avoidance on claims and provide the capability to perform cost recovery functions.
- Provide capabilities and/or communications with the Department and the Division via on-line data links to facilitate transfers of data and monitoring of contract issues using menu driven reports and communications via electronic mail.
- Provide technical support to managed care health plans in the maintenance of data lines and the transfer of daily enrollment files and encounter data.

The MMIS is run on a mainframe computer system. There are approximately 35 programmers employed by the fiscal agent to maintain this system. The Interactive Voice Response (IVR) has the availability of approximately 70 incoming lines. The IVR hardware and software allows immediate access to eligibility, payment and claim status information.

The Imaging System allows document storage and retrieval along with a report repository. The fiscal agent supports a web application (www.emomed.com) that supports various provider functions such as claims data entry, send and receive files, electronic remittance advice along with real-time inquiries of claims, attachments, prior authorizations, eligibility and payment status.

The state began contracting out the MMIS in 1979. The latest MMIS contract began in FY2008 and was awarded to Infocrossing, Inc (now WIPRO). It consists of one year for takeover and transition, six years for operations, and is renewable for three one-year extensions. The MMIS contract includes seventeen (17) major enhancements, most of which have been implemented. The highlights of this re-engineering included a new relational database, a rules engine, and browser-based functionality.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.420

Program Name: Information Systems

Program is found in the following core budget(s): Information Systems

Claims Processing: Claims processing changes with the two programs, the fee-for-service program versus MO HealthNet managed care. Under the fee-for-service program, claims are processed for payment to the provider. Services under MO HealthNet managed care, which are covered by the capitation payment, do not generate a claim. Whomever provides the service is reimbursed by a health plan. The service still results in involvement by IS through the processing of encounter claims. An encounter claim is the same as a regular claim in terms of the information processed such as patient identification, diagnosis and the service(s) provided; however, it is not subject to payment. The federal government requires that encounter claims be submitted to the state agency. Encounter claims are transmitted by health plans to the fiscal agent where they are processed and the data is stored.

Managed Care Impact: MO HealthNet managed care increases the demand on Information Systems because of the need to interface with numerous different data processing systems. The MMIS system “talks” to the systems run by each of the three individual health plans that contract with the state for Managed Care. Success of the Managed Care program is dependent on data analysis. The agency needs encounter data from the health plans in order to set rates and see what services are being provided to agency clients, otherwise on-site audits of thousands of providers would be required. Resolving encounter data and other system problems with individual health plans is staff intensive.

Average claims processing time continues to decrease due to increased electronic claims processing and system improvements from 3.03 days in FY95 to .41 days in FY15.

Enrollment Broker: The enrollment broker is responsible for assisting MO HealthNet participants receiving health care benefits through a managed care arrangement in plan enrollment. Beginning September 1, 2014, the enrollment broker function transitioned to a new contract. The contractor is responsible for assisting 1) Missourians with the Medicaid application when the individual is applying online through the new eligibility and enrollment system; and 2) with managed care enrollment processes should the participant receive benefits through managed care. The intent is to streamline processes so that individuals can apply for Medicaid benefits, and if eligible, complete the managed care enrollment process at the same time. This ensures that Medicaid participants receive the appropriate level of care as expeditiously as possible. Once an individual is eligible for Medicaid benefits, only inquiries received on managed care enrollment will continue to be handled through the Contact Center. Other questions, correspondence or communication will be handled through the current call center or by FSD offices.

Emerging Issues: ICD-10: The ICD-10 code sets will replace the ICD-9 code sets currently used throughout the healthcare industry as diagnosis and inpatient hospital procedure codes. The ICD-10 code sets expand significantly on the existing ICD-9 code sets by adding thousands of new codes and by allowing for the encoding of a significant amount of additional data regarding a diagnosis and an inpatient procedure. The Centers for Medicare and Medicaid Services (CMS) issued a rule requiring all state Medicaid programs and their healthcare service providers to implement ICD-10 code sets by October 1, 2015. MHD implemented these codes sets within the MMIS in October 2013 for purposes of testing with providers. **CORE Operating Rules:** The Patient Protection and Affordable Care Act requires the implementation of operating rules related to the exchange of information with and provision of payment to healthcare service providers.

MMIS Reprocurement: The initial contract period with Wipro Infocrossing, Inc. for the operation of the primary Missouri Medicaid Management Information System (MMIS) and Medicaid call centers ended on June 30, 2014 with options to renew annually for up to three additional years (through June 30, 2017). MHD has executed a two-year renewal with Wipro Infocrossing, Inc. The initial contract period with Xerox, Inc. for the operation of the Clinical Management System for Pharmacy Claims and Prior Authorization (CMSP) ended on June 30, 2012 with options to renew annually for up to six additional years (through June 30, 2018). MHD has renewed the contract with Xerox through June 30, 2016. Due to the complexity and potential cost of these contracts, MHD contracted for an independent review of the renewal options available to Missouri for provisions of aforementioned services. MHD has completed a Medicaid Information Technology Architecture (MITA) assessment as required by CMS and developed a recommended MMIS strategy. MHD has contracted with CSG Government Solutions to conduct an analysis of the current system and MHD business needs and assist with the MMIS reprocurement. It is estimated that implementation of a replacement system would take three to five years.

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Information Systems
Program is found in the following core budget(s): Information Systems

HB Section: 11.420

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.166 and 208.201; Federal law: Social Security Act Section 1902(a)(4), 1903(a)(3) and 1915(b); Federal Regulation 42 CFR 433(C) and 438; Children's Health Insurance Program State Plan Amendment.

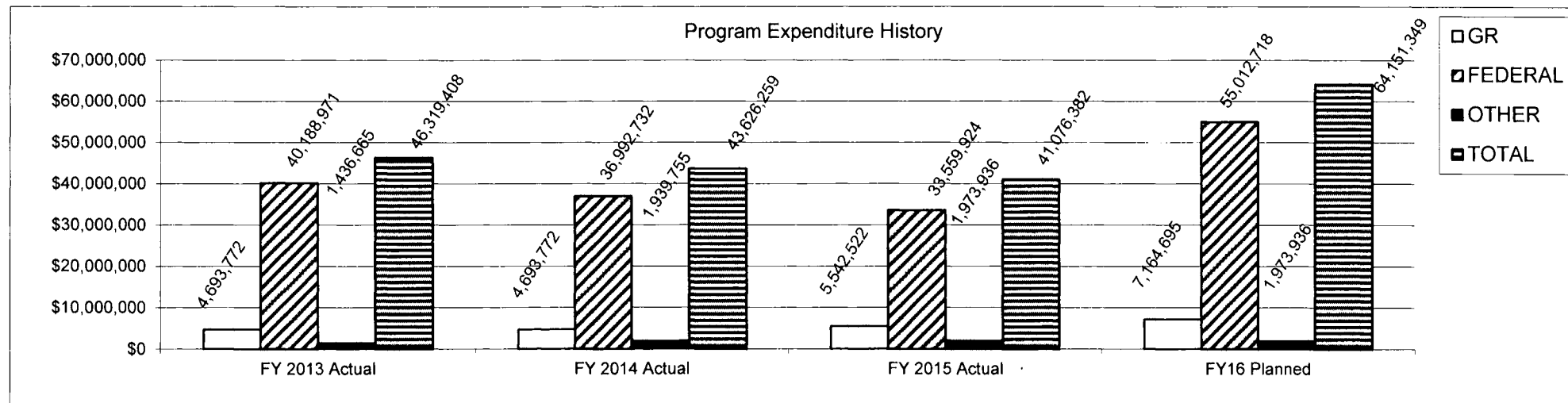
3. Are there federal matching requirements? If yes, please explain.

Expenditures for MMIS operations have three different federal financial participation (FFP) rates. The majority of MMIS expenditures earn 75% FFP and require 25% state share. Functions earning 75% include MMIS base operations and call center operations. Approved system enhancements earn 90% FFP and require 10% state share. Enrollment broker services, postage and General Medicaid administrative expenditures earn 50% FFP and requires 50% state share.

4. Is this a federally mandated program? If yes, please explain.

Yes. Section 1902(a)(4) of the Social Security Act requires such methods of administration as necessary for the proper and efficient administration of the Medicaid State Plan.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY 2016 is net of reverted and reserves.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.420

Program Name: Information Systems

Program is found in the following core budget(s): Information Systems

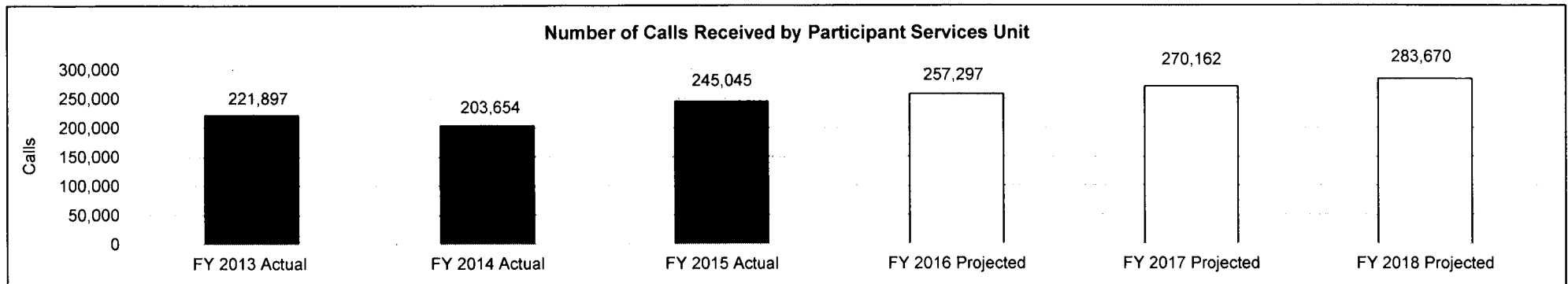
6. What are the sources of the "Other" funds?

Healthcare Technology Fund (0170) -FY 2013

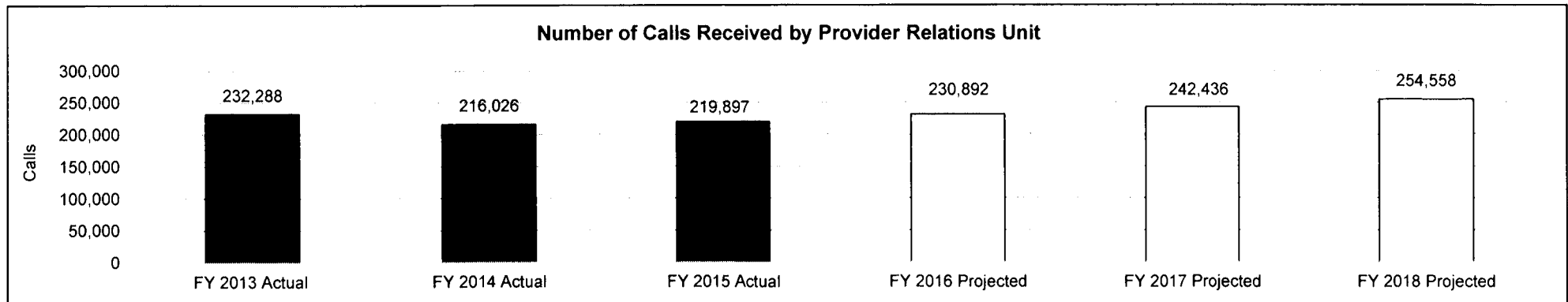
Health Initiatives Fund (0275) - FY 2013 -2015

Uncompensated Care Fund (0108)- FY 2014-2015

7a. Provide an effectiveness measure.



Effectiveness Measure: Provide support for participants and providers. Last year the Participant Services Unit received and responded to 245,045 calls from participants. The Provider Relations Unit received and responded to 219,897 calls in SFY 2015.



PROGRAM DESCRIPTION

Department: Social Services

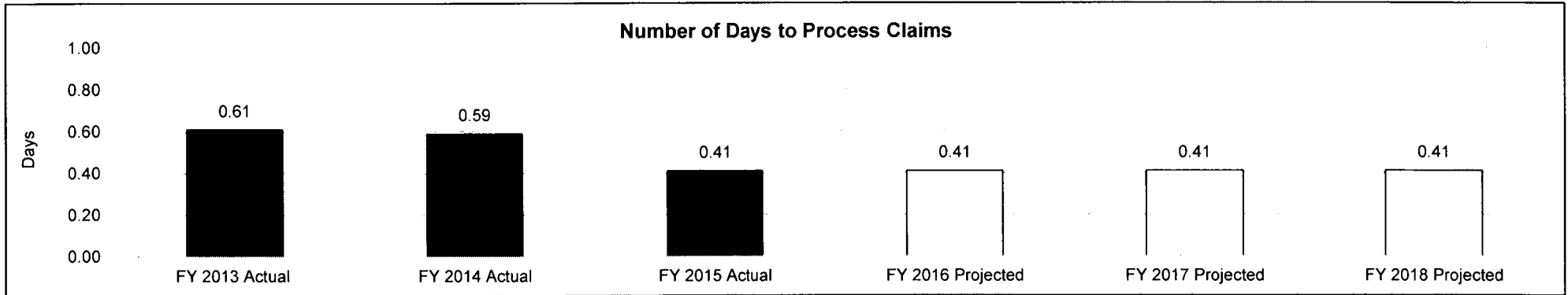
HB Section: 11.420

Program Name: Information Systems

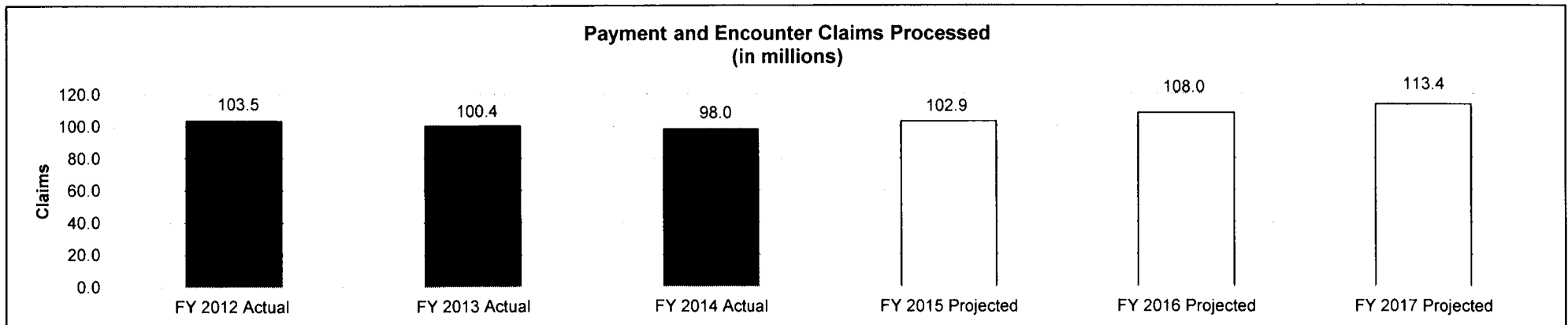
Program is found in the following core budget(s): Information Systems

7b. Provide an efficiency measure.

Efficiency Measure: Promptly process "clean" claims in less than one day. For the past three fiscal years, claims passing system edits have been processed in less than one day. Processed claims are paid twice a month. In SFY 2015, over 98 million claims were processed.



7c. Provide the number of clients/individuals served, if applicable.



7d. Provide a customer satisfaction measure, if available.

N/A

NEW DECISION ITEM

RANK:

14 OF:

29

Department: Social Services

Budget Unit: 90522C

Division: MO HealthNet

DI Name: Sustaining MO HealthNet Technology Infrastructure

DI#: 1886015

1. AMOUNT OF REQUEST

	FY 2017 Budget Request			
	GR	Federal	Other	Total
PS				
EE	4,250,000	12,750,000		17,000,000
PSD				
TRF				
Total	4,250,000	12,750,000		17,000,000

FTE

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

	FY 2017 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				

FTE

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

<input checked="" type="checkbox"/>	New Legislation	<input type="checkbox"/>	New Program	<input type="checkbox"/>	Fund Switch
<input type="checkbox"/>	Federal Mandate	<input type="checkbox"/>	Program Expansion	<input type="checkbox"/>	Cost to Continue
<input type="checkbox"/>	GR Pick-Up	<input type="checkbox"/>	Space Request	<input type="checkbox"/>	Equipment Replacement
<input type="checkbox"/>	Pay Plan	<input type="checkbox"/>	Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funding is requested to meet federal requirements for Medicaid systems and to maximize MO HealthNet's use of technology to manage a health care payment and delivery system for over 950,000 MO HealthNet enrollees.

Funding is requested to begin the reprocurement process for services provided under the MMIS and Clinical Management System for Pharmacy Claims and Prior Authorization (CMSP). Initial funding will support an analysis of the current system and options on how the state may proceed with the reprocurement process.

RANK: **NEW DECISION ITEM**
14 **OF:** **29**

Department: Social Services
Division: MO HealthNet
DI Name: Sustaining MO HealthNet Technology Infrastructure

Budget Unit: 90522C
DI#: 1886015

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

MMIS Reprourement

The contract with Wipro Infocrossing, Inc. as the MO HealthNet fiscal agent and for the operation of the primary Missouri Medicaid Management Information System (MMIS) and Medicaid call centers expired on June 30, 2014 with options to renew annually for up to three additional years through June 30, 2017. The contract with Xerox Heritage, Inc. for the operation of the Clinical Management System for Pharmacy Claims and Prior Authorization (CMSP) expired on June 30, 2012 with options to renew annually for up to six additional years through June 30, 2018. State and federal laws require the reprourement of these contracts. Given the length of time required to select a renewal option and to exercise the selected option, the reprourement effort must be initiated several years prior to the end of the contract period and the available contract renewal periods.

During FY14, MO HealthNet worked with an independent contractor to complete an assessment of the current Medicaid information technology architecture and develop a long-term MMIS strategy and roadmap to guide the MMIS reprourement. The Missouri MMIS is a legacy system with components dating back to the 1980s, but has had several enhancements using today's technologies. CMS has issued guidance requiring all MMIS systems qualifying for enhanced federal funding to meet standards reflective of modern technologies and architectures. The Missouri MMIS in its current form meets some but not all of the federal standards required for enhanced federal funding.

Several MMIS strategy options were evaluated including enhancement of the current MMIS with new technologies and a total system replacement. MO HealthNet has started the procurement process by requesting information from vendors regarding available solutions. Due to the size, complexity, and cost of MMIS solutions and the federal MMIS procurement processes, an MMIS procurement is a multi-year process and requires assistance from an independent contractor with MMIS procurement expertise.

During FY17, MO HealthNet will continue to work with an independent contractor to gather information, define requirements, and develop the Requests for Proposal (RFP). The current plan is to complete the procurement for maintenance and operation of the existing MMIS and CMSP systems and fiscal agent services during FY17 with potential transition of the systems to new vendors. A separate RFP will be issued during FY18 for purchase of a replacement MMIS solution. MMIS replacement projects typically require three to five years during which existing systems are maintained until the transition to the replacement system is completed.

NEW DECISION ITEM

RANK: 14 OF: 29

Department: Social Services
Division: MO HealthNet
DI Name: Sustaining MO HealthNet Technology Infrastructure

Budget Unit: 90522C
DI#: 1886015

Business Intelligence Solutions and Enterprise Data Warehouse

The MMIS procurement offers an opportunity for MO HealthNet to develop a comprehensive, scalable, and secure health care information system to support the decision support, reporting, and analytics needs of the Missouri Medicaid Enterprise (MME) for the next decade. This would include developing and implementing a consolidated solution to replace the existing distributed decision support systems and data warehouses that would offer the following opportunities:

- 1) Reduce the overall cost of the decision support and analytics business functions.
- 2) Provide business users with Business Intelligence (BI) tools that are powerful, intuitive, and simple to use that have the ability to store, mine, analyze, aggregate, and visualize, large, complex structured, semi-structured, and/or unstructured data from multiple data sources with the objectives of providing answers to queries, creating summarized data, identifying trends, predicting future behavior, and following industry standards.
- 3) Create a more robust data warehouse containing data from multiple data sources both internal to and external from the MME, including MMIS claims data, Health Information Network (HIN) clinical data, and Medicaid eligibility data.
- 4) Simplify the use of the BI for end users through adoption of complimentary reporting and analytics tools and centralization of the tool support.
- 5) Provide a modern, scalable, adaptable, and customizable technical architecture and information framework.

MO HealthNet anticipates a BI solution that takes advantage of these opportunities will be a valuable tool in improving case management, care

Information Systems:

MMIS Reprocurement
 CMSP Reprocurement
 Data Warehouse-Operations
 Data Warehouse-Design, Development, Implementation
Total

Total	GR	Federal
\$5,000,000	\$1,250,000	\$3,750,000
\$4,000,000	\$1,000,000	\$3,000,000
\$6,500,000	\$1,625,000	\$4,875,000
\$1,500,000	\$375,000	\$1,125,000
\$17,000,000	\$4,250,000	\$12,750,000

NEW DECISION ITEM

RANK:

14

OF:

29

Department: Social Services

Budget Unit: 90522C

Division: MO HealthNet

DI Name: Sustaining MO HealthNet Technology Infrastructure

DI#: 1886015

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	4,250,000 4,250,000		12,750,000 12,750,000		0		17,000,000 17,000,000		0
Program Distributions					0				
Total PSD	0		0		0		0		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	4,250,000	0.0	12,750,000	0.0	0	0.0	17,000,000	0.0	0

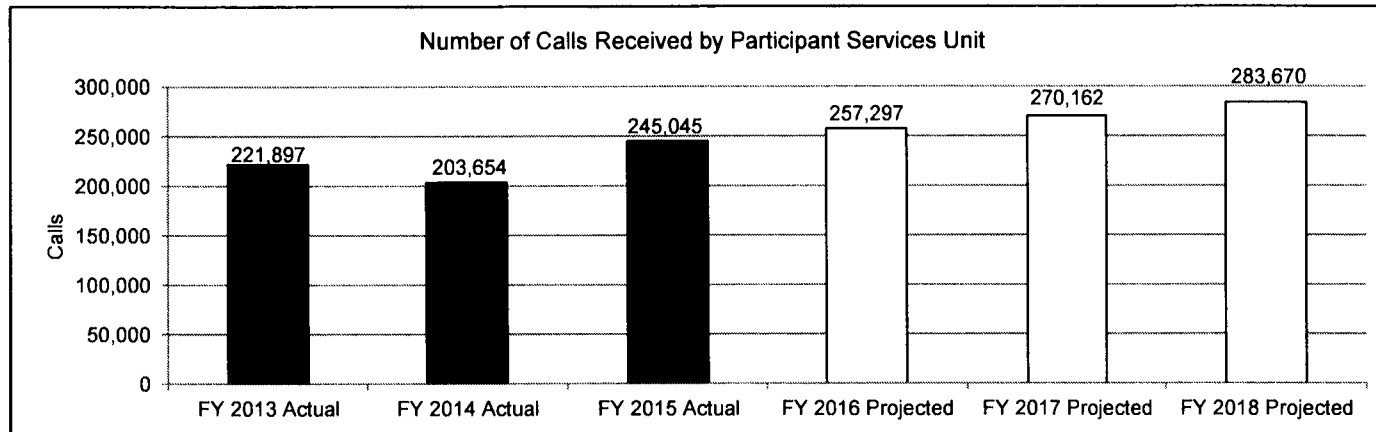
5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions									
Total PSD	0		0		0		0		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0

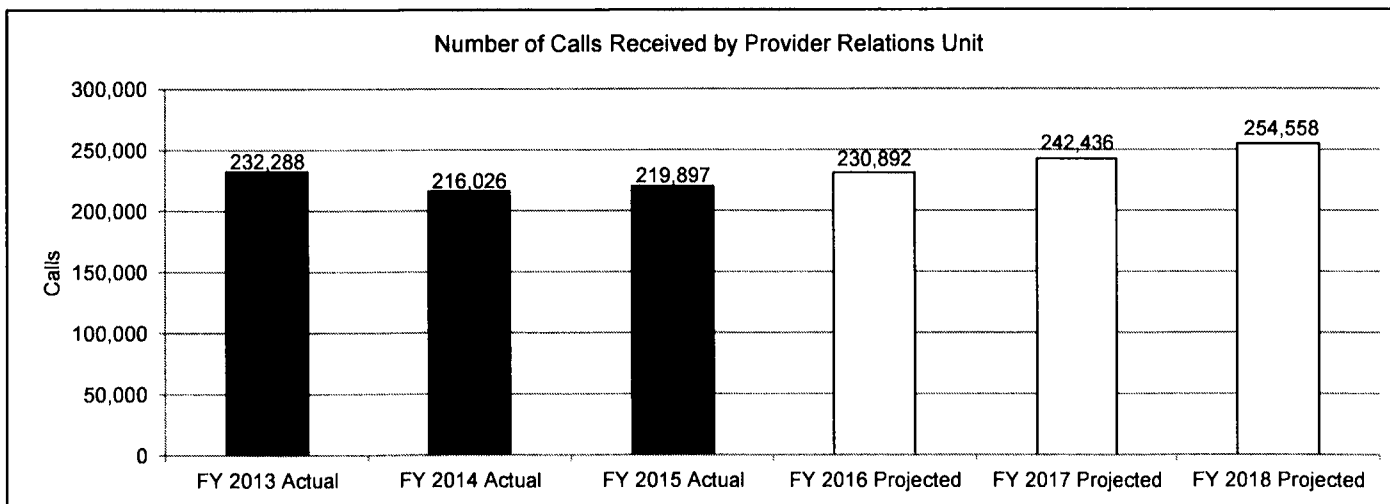
6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

Effectiveness Measure: Provide support for participants and providers. Last year the Participant Services Unit received and responded to 245,045 calls from participants.

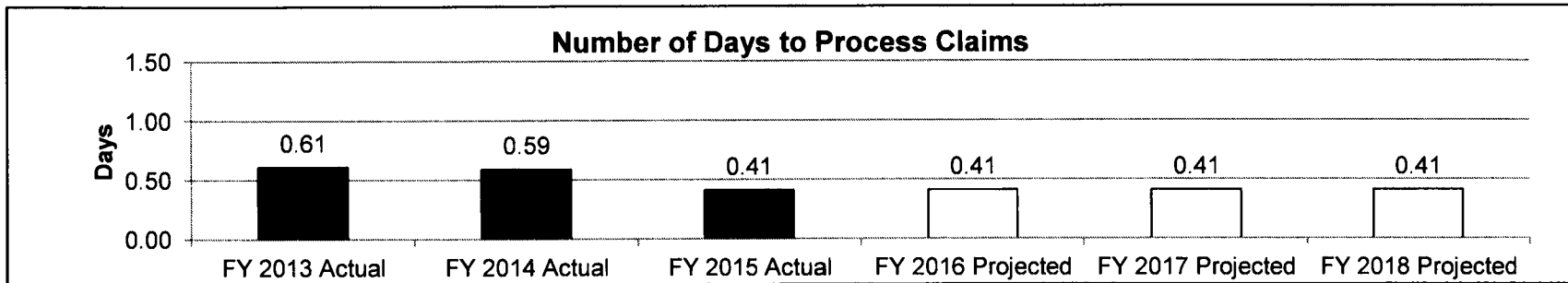


The Provider Relations Unit received and responded to 219,897 calls in SFY 2015.

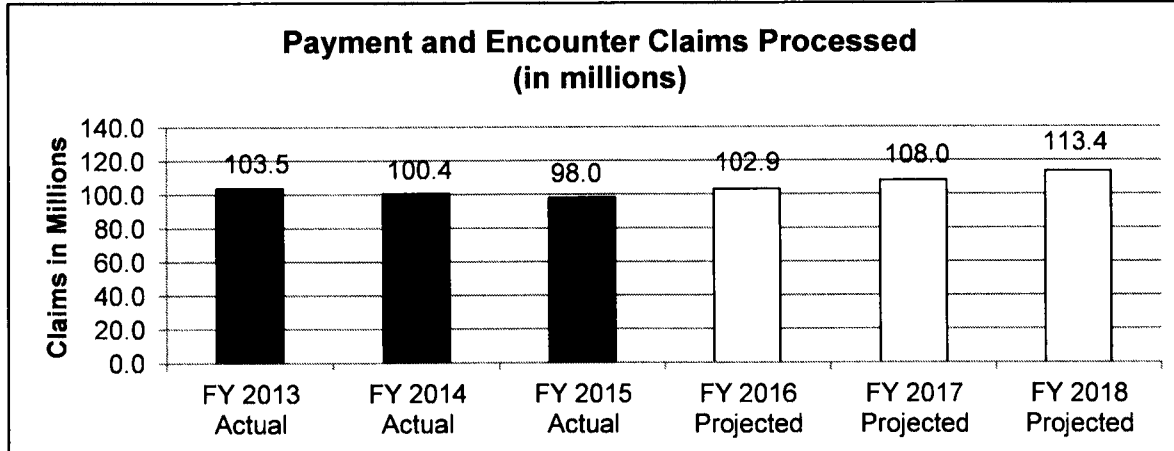


6b. Provide an efficiency measure.

Efficiency Measure: Promptly process "clean" claims in less than one day. For the past three fiscal years, claims passing system edits have been processed in less than one day. Processed claims are paid twice a month. In SFY 2015, over 98 million claims were processed.



6c. Provide the number of clients/individuals served, if applicable.



6d. Provide a customer satisfaction measure, if available.

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
INFORMATION SYSTEMS								
Sustaining MMIS Infrastructure - 1886014								
PROFESSIONAL SERVICES	0	0.00	0	0.00	17,000,000	0.00	0	0.00
TOTAL - EE	0	0.00	0	0.00	17,000,000	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$17,000,000	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$4,250,000	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$12,750,000	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

Electronic Health Records Incentives

DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN	
ELECTRONIC HLTH RECORDS INCNTV									
CORE									
EXPENSE & EQUIPMENT									
FEDERAL STIMULUS-DSS	1,253,881	0.00	0	0.00	0	0.00	0	0.00	
TOTAL - EE	1,253,881	0.00	0	0.00	0	0.00	0	0.00	
PROGRAM-SPECIFIC									
FEDERAL STIMULUS-DSS	38,080,439	0.00	60,000,000	0.00	60,000,000	0.00	0	0.00	
TOTAL - PD	38,080,439	0.00	60,000,000	0.00	60,000,000	0.00	0	0.00	
TOTAL	39,334,320	0.00	60,000,000	0.00	60,000,000	0.00	0	0.00	
GRAND TOTAL	\$39,334,320	0.00	\$60,000,000	0.00	\$60,000,000	0.00	\$0	0.00	

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Electronic Health Records Incentives

Budget Unit: 90523C
HB Section: 11.425

1. CORE FINANCIAL SUMMARY

FY 2017 Budget Request			
GR	Federal	Other	Total
PS			
EE			
PSD	60,000,000		60,000,000
TRF			
Total	60,000,000		60,000,000

FTE 0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

FY 2017 Governor's Recommendation			
GR	Fed	Other	Total
PS			
EE			
PSD			
TRF			
Total			0

FTE 0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

2. CORE DESCRIPTION

This core request is for funding of the MO HealthNet Electronic Health Record (EHR) Incentive Program, that provides incentive payments to eligible professionals and eligible hospitals that adopt, implement, upgrade, or meaningfully use certified EHR technology. Eligible providers must meet Medicaid patient volume thresholds, purchase and use certified EHR products, and meet meaningful use requirements to demonstrate that EHR systems are used to improve clinical outcomes over time.

3. PROGRAM LISTING (list programs included in this core funding)

Electronic Health Records Incentives

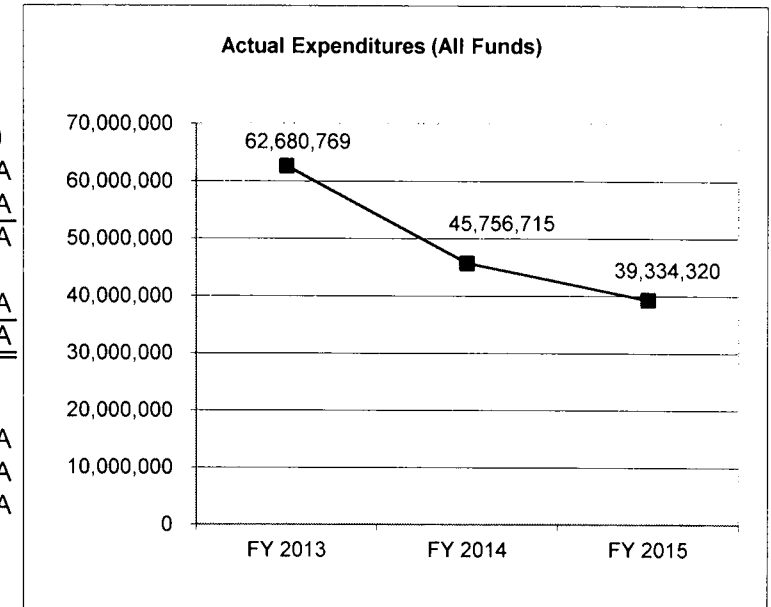
CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Electronic Health Records Incentives

Budget Unit: 90523C
HB Section: 11.425

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	100,000,000	100,000,000	85,000,000	60,000,000
Less Reverted (All Funds)	0	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	100,000,000	100,000,000	85,000,000	N/A
Actual Expenditures (All Funds)	62,680,769	45,756,715	39,334,320	N/A
Unexpended (All Funds)	37,319,231	54,243,285	45,665,680	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	37,319,231	54,243,285	45,665,680	N/A
Other	0	0	0	N/A
			(1)	(2)



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) Core reduction of \$15M in FY15.

(2) Core reduction of \$15M in FY16.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES
ELECTRONIC HLTH RECORDS INCNTV

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	0	60,000,000	0	60,000,000	
	Total	0.00	0	60,000,000	0	60,000,000	
DEPARTMENT CORE REQUEST							
	PD	0.00	0	60,000,000	0	60,000,000	
	Total	0.00	0	60,000,000	0	60,000,000	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	0	60,000,000	0	60,000,000	
	Total	0.00	0	60,000,000	0	60,000,000	

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
ELECTRONIC HLTH RECORDS INCNTV								
CORE								
TRAVEL, OUT-OF-STATE	2,777	0.00	0	0.00	0	0.00	0	0.00
PROFESSIONAL DEVELOPMENT	820	0.00	0	0.00	0	0.00	0	0.00
PROFESSIONAL SERVICES	1,250,284	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	1,253,881	0.00	0	0.00	0	0.00	0	0.00
PROGRAM DISTRIBUTIONS	38,080,439	0.00	60,000,000	0.00	60,000,000	0.00	0	0.00
TOTAL - PD	38,080,439	0.00	60,000,000	0.00	60,000,000	0.00	0	0.00
GRAND TOTAL	\$39,334,320	0.00	\$60,000,000	0.00	\$60,000,000	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$39,334,320	0.00	\$60,000,000	0.00	\$60,000,000	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.425

Program Name: Electronic Health Records Incentive

Program is found in the following core budget(s): Electronic Health Records Incentive

1. What does this program do?

Missouri's Medicaid Electronic Health Records (EHR) Incentive program became operational on April 4, 2011. To qualify for Medicaid incentive payments during the first year, eligible professionals must meet volume thresholds for Medicaid patients and show that they have adopted, implemented, or upgraded to certified EHR technology. To receive additional payments in subsequent years, professionals are required to demonstrate meaningful use of certified EHR technology. Under the program, eligible professionals can receive up to \$63,750 in incentive payments over six years; hospital amounts are based on an established formula primarily driven by discharges. Amounts vary significantly by hospital, but the average first year payment is \$763,850.

Eligible professionals (EPs) include physicians, dentists, certified nurse midwives, nurse practitioners, and physician assistants practicing in rural health clinics or Federally-Qualified Health Centers (FQHCs) led by a physician assistant. EPs must have at least a 30% patient volume attributable to Medicaid (20% for pediatricians). EPs can base their volume on either their *individual* Medicaid patient encounters or the *practice's* Medicaid patient encounters. Encounters include both fee-for-service and managed care for which Medicaid paid in whole or in part. Beginning in program year 2013, zero pay claims could also be counted, recognizing service to Medicaid-enrolled individuals regardless of liability. Eligible hospitals (EHs) include acute care hospitals, all stand-alone children's hospitals, cancer hospitals, and critical access hospitals. Except for children's hospitals, EHs must have at least 10% Medicaid patient volume.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Federal law: ARRA Section 4201; Federal Regulation: 42 CFR Parts 412, 413, 422, and 495

3. Are there federal matching requirements? If yes, please explain.

Expenditures for healthcare technology incentives are 100% federal funds. Administrative costs earn a 90% federal match.

4. Is this a federally mandated program? If yes, please explain.

No.

PROGRAM DESCRIPTION

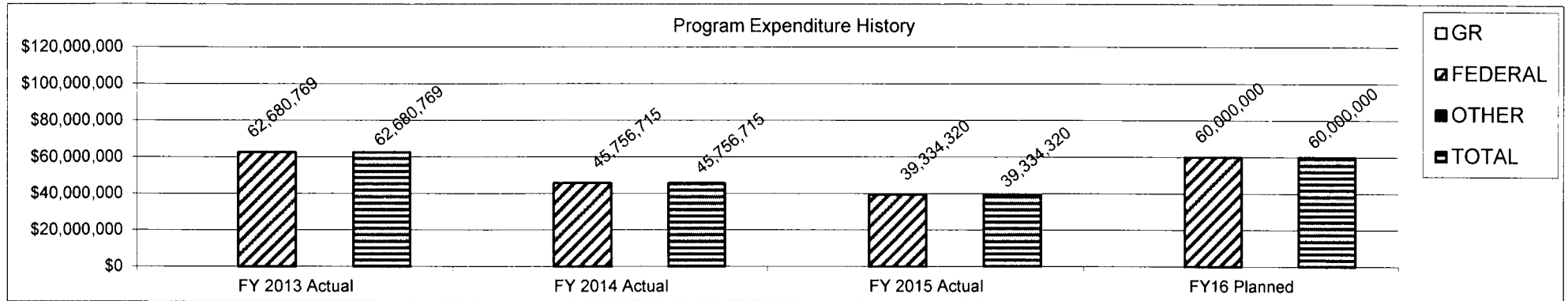
Department: Social Services

HB Section: 11.425

Program Name: Electronic Health Records Incentive

Program is found in the following core budget(s): Electronic Health Records Incentive

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.

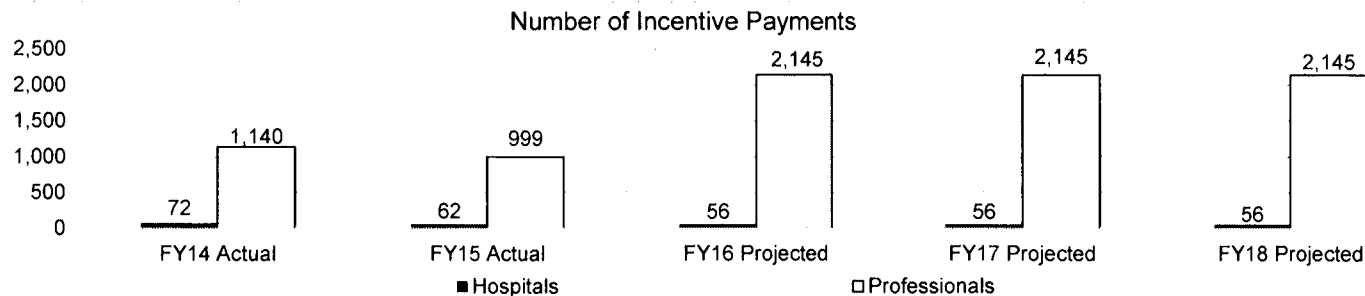


6. What are the sources of the "Other" funds?

N/A

7a. Provide an effectiveness measure.

Increase the number of hospitals and eligible professionals demonstrating meaningful use of EHR technology.



PROGRAM DESCRIPTION

Department: Social Services

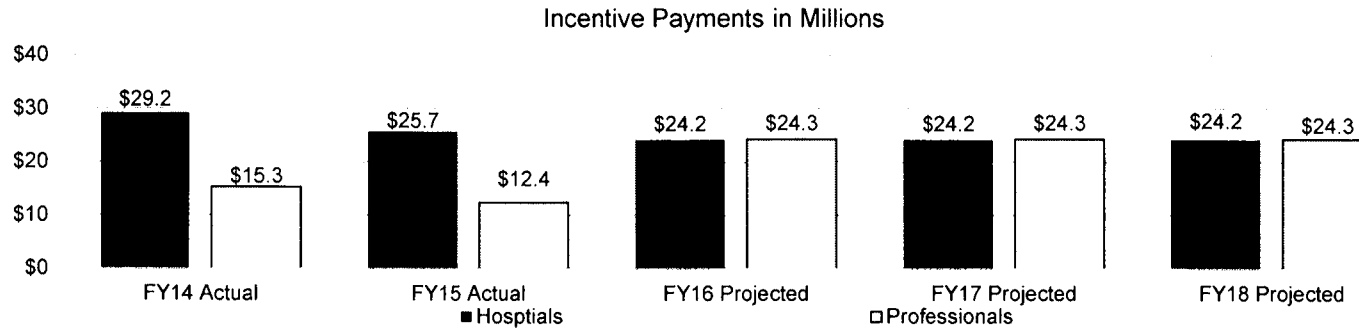
HB Section: 11.425

Program Name: Electronic Health Records Incentive

Program is found in the following core budget(s): Electronic Health Records Incentive

7b. Provide an efficiency measure.

Provide adequate payments for Electronic Health Records Incentives to MO HealthNet providers with the funds appropriated.



7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A

Money Follows the Person Grant

DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
MONEY FOLLOWS THE PERSON GRANT								
CORE								
EXPENSE & EQUIPMENT								
DEPT OF SOC SERV FEDERAL & OTH	326,352	0.00	453,277	0.00	453,277	0.00	0	0.00
TOTAL - EE	326,352	0.00	453,277	0.00	453,277	0.00	0	0.00
PROGRAM-SPECIFIC								
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	79,272	0.00	79,272	0.00	0	0.00
TOTAL - PD	0	0.00	79,272	0.00	79,272	0.00	0	0.00
TOTAL	326,352	0.00	532,549	0.00	532,549	0.00	0	0.00
GRAND TOTAL	\$326,352	0.00	\$532,549	0.00	\$532,549	0.00	\$0	0.00

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CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Money Follows the Person

Budget Unit: 90524C

HB Section: 11.430

1. CORE FINANCIAL SUMMARY

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS				
EE		453,277		453,277
PSD		79,272		79,272
TRF				
Total		532,549		532,549
FTE				0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				
FTE				

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

This core request is for on-going funding for the administration of the Money Follows the Person program. Money Follows the Person Demonstration program transitions individuals who are elderly, disabled or who have developmental disabilities from nursing facilities or state owned habilitation centers to Home and Community Based Services.

3. PROGRAM LISTING (list programs included in this core funding)

Money Follows the Person

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Money Follows the Person

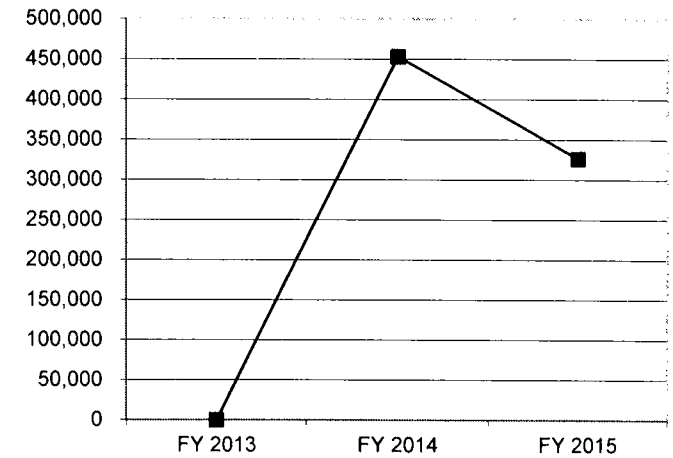
Budget Unit: 90524C
HB Section: 11.430

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	0	532,549	532,549	532,549
Less Reverted (All Funds)	0	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	532,549	532,549	N/A
Actual Expenditures (All Funds)	0	453,273	326,352	N/A
Unexpended (All Funds)	0	0	206,197	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	79,276	206,197	N/A
Other	0	0	0	N/A

(1)

Actual Expenditures (All Funds)



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY14 Section was transferred to MO HealthNet Division from Federal Grants and Donations.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES MONEY FOLLOWS THE PERSON GRANT

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	0	453,277	0	453,277	
	PD	0.00	0	79,272	0	79,272	
	Total	0.00	0	532,549	0	532,549	
DEPARTMENT CORE REQUEST							
	EE	0.00	0	453,277	0	453,277	
	PD	0.00	0	79,272	0	79,272	
	Total	0.00	0	532,549	0	532,549	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	0	453,277	0	453,277	
	PD	0.00	0	79,272	0	79,272	
	Total	0.00	0	532,549	0	532,549	

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
MONEY FOLLOWS THE PERSON GRANT								
CORE								
TRAVEL, IN-STATE	975	0.00	2,086	0.00	2,086	0.00	0	0.00
TRAVEL, OUT-OF-STATE	1,384	0.00	0	0.00	0	0.00	0	0.00
SUPPLIES	456	0.00	175	0.00	175	0.00	0	0.00
PROFESSIONAL DEVELOPMENT	735	0.00	0	0.00	0	0.00	0	0.00
PROFESSIONAL SERVICES	322,170	0.00	450,716	0.00	450,716	0.00	0	0.00
BUILDING LEASE PAYMENTS	0	0.00	150	0.00	150	0.00	0	0.00
MISCELLANEOUS EXPENSES	632	0.00	150	0.00	150	0.00	0	0.00
TOTAL - EE	326,352	0.00	453,277	0.00	453,277	0.00	0	0.00
PROGRAM DISTRIBUTIONS	0	0.00	79,272	0.00	79,272	0.00	0	0.00
TOTAL - PD	0	0.00	79,272	0.00	79,272	0.00	0	0.00
GRAND TOTAL	\$326,352	0.00	\$532,549	0.00	\$532,549	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$326,352	0.00	\$532,549	0.00	\$532,549	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.430

Program Name: Money Follows The Person

Program is found in the following core budget(s): Money Follows the Person

1. What does this program do?

This program provides payment for the administration of the Money Follows the Person program and is 100% funded through a federal grant.

Money Follows the Person (MFP) is a demonstration grant that aides in transitioning individuals with disabilities or who are aging from habilitation centers and nursing facilities into their community. MFP helps identify barriers that prevent individuals currently residing in state or private facilities from accessing needed long-term community support services. MFP helps improve the ability of the Missouri Medicaid program to continue the provision of Home and Community Based Services (HCBS) long term care services to those individuals choosing to transition to communities. Lastly, MFP helps ensure procedures are in place to provide continuous quality improvement in HCBS.

In order to be eligible for the Money Follows the Person program, an individual must have been in a nursing facility or ICF/MR bed for at least 90 consecutive (non-Medicare Rehab) days; be Medicaid eligible at the time of transition; move into qualified housing; and sign a participation agreement. At the time of discharge the participant must be in a certified Medicaid bed.

Once in, participants reside in the program for 365 community days after which they seamlessly transition to the regular HCBS programs. The grant provides up to \$2,400 to participants transitioning from a nursing facility, as a one-time assistance for transition costs to set up home in the community. This one-time assistance can be used any time within the 365 days.

The MFP program extends through September 30, 2016 with any remainder funds awarded through the grant in 2016 being used until 2020.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Section 6071 of the Federal Deficit Reduction Act of 2005; PL 109-171, and amended by the Affordable Care Act, Section 2403.

3. Are there federal matching requirements? If yes, please explain.

Money Follows the Person administrative expenditures earn 100% federal matching funds.

4. Is this a federally mandated program? If yes, please explain.

No.

PROGRAM DESCRIPTION

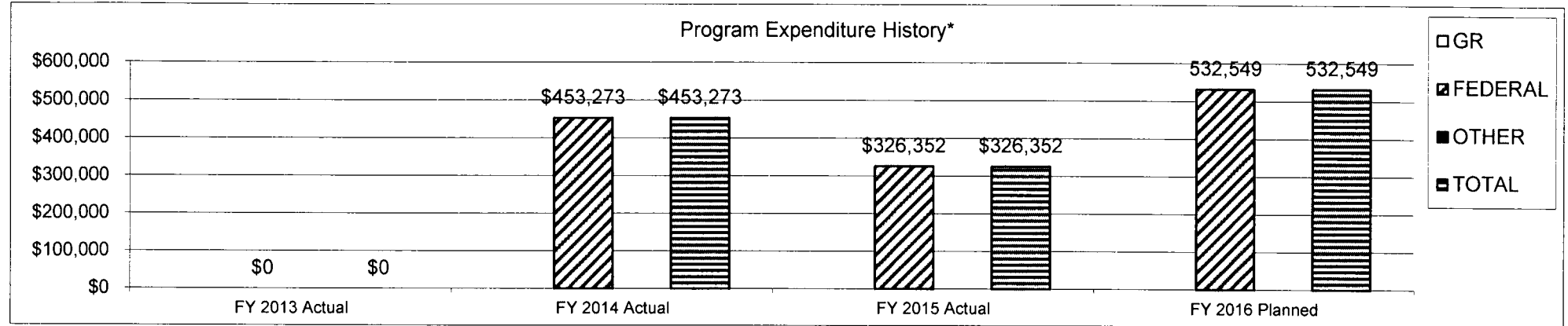
Department: Social Services

HB Section: 11.430

Program Name: Money Follows The Person

Program is found in the following core budget(s): Money Follows the Person

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



*Expenditure history in this appropriation was moved to new section in FY 2014.

6. What are the sources of the "Other" funds?

N/A

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

N/A

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.430

Program Name: Money Follows The Person

Program is found in the following core budget(s): Money Follows the Person

7c. Provide the number of clients/individuals served, if applicable.

Number of Transitions by Target Population

CY Year	Elderly	Developmental Disability	Physical Disability	Developmental Disability/Mental Illness	Total
CY 2013 Actual	35	34	92	2	163
CY 2014 Actual	53	22	108	3	186
CY 2015 Projected	50	51	115	2	218
CY 2016 Projected	54	45	127	3	229
CY 2017 Projected	57	42	136	3	238
CY 2018 Projected	61	42	141	3	247

7d. Provide a customer satisfaction measure, if available.

N/A

Pharmacy

DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
PHARMACY								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	64,773	0.00	0	0.00	0	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	207,578	0.00	207,578	0.00	0	0.00
TOTAL - EE	64,773	0.00	207,578	0.00	207,578	0.00	0	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	105,115,381	0.00	87,343,166	0.00	87,343,166	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	673,593,927	0.00	744,527,374	0.00	744,527,374	0.00	0	0.00
PHARMACY REBATES	196,397,118	0.00	229,804,828	0.00	229,804,828	0.00	0	0.00
THIRD PARTY LIABILITY COLLECT	4,217,574	0.00	4,217,574	0.00	4,217,574	0.00	0	0.00
PHARMACY REIMBURSEMENT ALLOWAN	54,978,493	0.00	61,745,023	0.00	61,745,023	0.00	0	0.00
HEALTH INITIATIVES	940,214	0.00	969,293	0.00	969,293	0.00	0	0.00
HEALTHY FAMILIES TRUST	0	0.00	23,541,034	0.00	23,541,034	0.00	0	0.00
LIFE SCIENCES RESEARCH TRUST	23,000,000	0.00	23,056,250	0.00	23,056,250	0.00	0	0.00
PREMIUM	3,800,000	0.00	3,800,000	0.00	3,800,000	0.00	0	0.00
TOTAL - PD	1,062,042,707	0.00	1,179,004,542	0.00	1,179,004,542	0.00	0	0.00
TOTAL	1,062,107,480	0.00	1,179,212,120	0.00	1,179,212,120	0.00	0	0.00
MHD FY17 Cost to Continue - 1886001								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	60,461,570	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	75,643,117	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	136,104,687	0.00	0	0.00
TOTAL	0	0.00	0	0.00	136,104,687	0.00	0	0.00
Pharmacy PMPM-Specialty - 1886002								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	49,408,468	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	85,303,935	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	134,712,403	0.00	0	0.00
TOTAL	0	0.00	0	0.00	134,712,403	0.00	0	0.00

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DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN	
PHARMACY									
Pharmacy PMPM-Non-Specialty - 1886003									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	11,742,036	0.00	0	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	20,272,677	0.00	0	0.00	
TOTAL - PD	0	0.00	0	0.00	32,014,713	0.00	0	0.00	
TOTAL	0	0.00	0	0.00	32,014,713	0.00	0	0.00	
ABLE Accounts - 1886039									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	1,095,174	0.00	0	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	2,864,884	0.00	0	0.00	
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	0	0.00	564,181	0.00	0	0.00	
TOTAL - PD	0	0.00	0	0.00	4,524,239	0.00	0	0.00	
TOTAL	0	0.00	0	0.00	4,524,239	0.00	0	0.00	
GRAND TOTAL	\$1,062,107,480	0.00	\$1,179,212,120	0.00	\$1,486,568,162	0.00	\$0	0.00	

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CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Pharmacy

Budget Unit: 90541C
HB Section: 11.435

1. CORE FINANCIAL SUMMARY

	FY 2017 Budget Request			
	GR	Federal	Other	Total
PS				
EE		207,578		207,578
PSD	87,343,166	744,527,374	347,134,002	1,179,004,542
TRF				
Total	87,343,166	744,734,952	347,134,002	1,179,212,120

FTE 0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Pharmacy Rebates Fund (0114)
Third Party Liability Collections Fund (TPL) (0120)
Pharmacy Reimbursement Allowance Fund (0144)
Health Initiatives Fund (HIF) (0275)
Healthy Families Trust Fund (0625)
Premium Fund (0885)
Life Sciences Research Trust Fund (0763)

	FY 2017 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0

FTE 0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

2. CORE DESCRIPTION

This core request is for the continued funding of the pharmacy program. This funding is necessary to maintain pharmacy reimbursement at a sufficient level to ensure quality health care and provider participation. Funding provides pharmacy services for both managed care and fee-for-service populations. Beginning on October 1, 2009, pharmacy services were carved-out of the managed care capitation rates and the state began administering the pharmacy benefit for participants enrolled in managed care.

3. PROGRAM LISTING (list programs included in this core funding)

Pharmacy

CORE DECISION ITEM

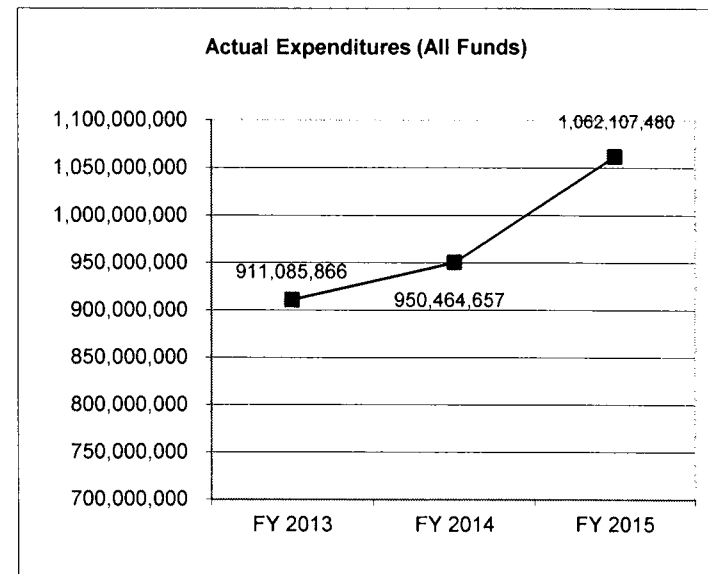
Department: Social Services
Division: MO HealthNet
Core: Pharmacy

Budget Unit: 90541C

HB Section: 11.435

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	921,776,301	972,497,804	1,141,350,373	1,179,212,120
Less Reverted (All Funds)	(29,079)	(29,079)	(29,079)	N/A
Budget Authority (All Funds)	971,321,959	972,468,725	1,141,321,294	N/A
Actual Expenditures (All Funds)	911,085,866	950,464,657	1,062,107,480	N/A
Unexpended (All Funds)	7,446,674	22,004,068	79,213,814	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	4,957,371	0	0	N/A
Other	5,703,985	22,004,068	79,213,814	N/A
	(1)	(2)	(3)	



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY13 Pharmacy Rebates is no longer an estimated ('E') appropriation. Expenditures of \$17,858,413 from Supplemental Pool. \$5,703,985 shortfall in Pharmacy FRA due to lower than projected revenues.

(2) FY14 Supplemental Budget of \$17,789,248 GR. Shortfall of \$8,885,235 of Life Sciences Research Trust Fund and \$29,079 of reverted HIF funds. Expenditures of \$10,547,736 paid from Hospital Care; \$33,430,023 paid from Managed Care; \$12,245,550 paid from Supplemental Pool; \$8,113,113 paid from Clawback. \$13,118,833 shortfall in Pharmacy FRA due to lower than projected revenue.

(3) FY15 Supplemental Budget of \$82,265,732 GR. Unexpended funds include \$53,597,284 shortfall in tobacco settlement funds to the Health Families Trust Fund, and the Life Sciences Research Trust Fund, \$10,000,000 shortfall in revenue to the Surplus Revenue Fund and \$15,616,530 shortfall in available revenue to the Pharmacy FRA fund. Expenditures of \$23,054,862 paid from Clawback; \$43,927,560 paid from Managed Care.

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Pharmacy

Budget Unit: 90541C

HB Section: 11.435

Cost Per Eligible - Per Member Per Month (PMPM)

	Pharmacy PMPM	Acute Care PMPM	Total PMPM	Pharmacy Percentage of Acute	Pharmacy Percentage of Total
PTD	\$372.80	\$1,074.20	\$1,961.17	34.70%	19.01%
Seniors	\$37.85	\$368.96	\$1,565.89	10.26%	2.42%
Custodial Parents	\$121.01	\$473.61	\$507.28	25.55%	23.85%
Children*	\$56.09	\$274.18	\$303.51	20.46%	18.48%
Pregnant Women	\$66.74	\$657.06	\$671.28	10.16%	9.94%

Source: Table 23 Medical Statistics for FY 15. (Paid Claims Data)

* CHIP eligibles not included

The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MHD management with a high level aggregate spending metric.

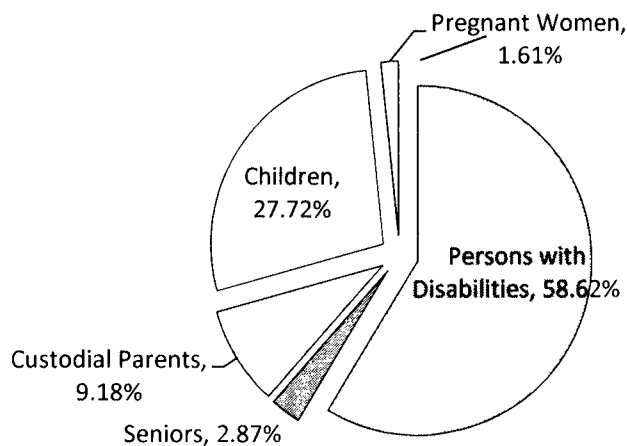
PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for pharmacy, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, pharmacy, managed care payments, Medicare co-pay/deductibles, dental and other acute services administered by MHD. It does **not** include nursing facilities, in-home services, mental health services and state institutions. By comparing the pharmacy PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for pharmacy services. It provides a snapshot of what eligibility groups are receiving pharmacy services, as well as the populations impacted by program changes.

Pharmacy Spending by Large Eligibility Group



Source: Table 23 Medical Statistics for FY 15. (Paid Claims Data)

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
PHARMACY**

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	0	207,578	0	207,578	
	PD	0.00	87,343,166	744,527,374	347,134,002	1,179,004,542	
	Total	0.00	87,343,166	744,734,952	347,134,002	1,179,212,120	
DEPARTMENT CORE REQUEST							
	EE	0.00	0	207,578	0	207,578	
	PD	0.00	87,343,166	744,527,374	347,134,002	1,179,004,542	
	Total	0.00	87,343,166	744,734,952	347,134,002	1,179,212,120	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	0	207,578	0	207,578	
	PD	0.00	87,343,166	744,527,374	347,134,002	1,179,004,542	
	Total	0.00	87,343,166	744,734,952	347,134,002	1,179,212,120	

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90541C BUDGET UNIT NAME: Pharmacy HOUSE BILL SECTION: 11.435	DEPARTMENT: Social Services DIVISION: MO HealthNet
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1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

DEPARTMENT REQUEST

	Core	% Flex Requested	Flex Requested Amount
<i>Total Program Request</i>	\$1,179,212,120	10%	\$117,921,212
	\$1,179,212,120	25%	\$294,803,030

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
None.	H.B. 11 language allows for up to 10% flexibility between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.485, 11.490, 11.505, 11.510, 11.550, 11.555, and 11.595 and 25% flexibility for use of this section for managed care.	10% flexibility between sections and 25% flexibility between FFS and Managed Care is being requested for FY 17.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
None.	Flexibility allows DSS to provide continued Medicaid benefits without an interruption in reimbursement to providers or partial payments.

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
PHARMACY								
CORE								
PROFESSIONAL SERVICES	64,773	0.00	207,578	0.00	207,578	0.00	0	0.00
TOTAL - EE	64,773	0.00	207,578	0.00	207,578	0.00	0	0.00
PROGRAM DISTRIBUTIONS	1,062,042,707	0.00	1,179,004,542	0.00	1,179,004,542	0.00	0	0.00
TOTAL - PD	1,062,042,707	0.00	1,179,004,542	0.00	1,179,004,542	0.00	0	0.00
GRAND TOTAL	\$1,062,107,480	0.00	\$1,179,212,120	0.00	\$1,179,212,120	0.00	\$0	0.00
GENERAL REVENUE	\$105,180,154	0.00	\$87,343,166	0.00	\$87,343,166	0.00		0.00
FEDERAL FUNDS	\$673,593,927	0.00	\$744,734,952	0.00	\$744,734,952	0.00		0.00
OTHER FUNDS	\$283,333,399	0.00	\$347,134,002	0.00	\$347,134,002	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.435

Program Name: Pharmacy

Program is found in the following core budget(s): Pharmacy

1. What does this program do?

The pharmacy services section provides funding for prescription drugs dispensed by qualified providers that are produced by manufacturers that have a rebate agreement between the manufacturer and the federal Department of Health and Human Services (HHS). Since January 1, 1991, the MO HealthNet program has provided reimbursement for all outpatient drugs (except for those which are specifically excluded) for which there is a manufacturer's rebate agreement. While over-the-counter products do not require a prescription for sale to the general public, a prescription for those selected types of over-the-counter products that qualify for MO HealthNet coverage is required in order for the product to be reimbursable. In general terms, MO HealthNet drug reimbursement is made at the lower of: 1) the Wholesale Acquisition Cost (WAC) plus 10%; 2) the Federal Upper Limit (FUL); 3) the Missouri Maximum Acquisition Cost (MAC); 4) or the billed charge. MO HealthNet uses its electronic tools incorporating clinical criteria derived from best practices and evidence-based medical information to adjudicate claims through clinical edits, preferred drug list edits, and prior authorization.

The U.S. Congress created the Medicaid outpatient prescription drug rebate program when it enacted the Omnibus Budget Reconciliation Act of 1990 (OBRA '90). The goal of the program is to reduce the cost of outpatient prescription drugs by requiring drug manufacturers to pay a rebate directly to state Medicaid programs. The purpose of the program is to reduce the cost of prescription drugs without placing an undue burden on pharmacies. The intent of this rebate is to allow the state and federal governments to receive price reductions similar to those received by other high volume purchasers of drugs.

Rebate Program

OBRA '90 requires all drug manufacturers to enter into a drug rebate agreement with the Department of Health and Human Services before their product lines will be eligible for coverage by Medicaid. Currently, 626 manufacturers have signed agreements with Centers for Medicare and Medicaid Services (CMS) and participate in the Drug Rebate Program. For MHN participants, approximately 400 manufacturers have products dispensed and are invoiced quarterly. Once the drug manufacturer has entered into the agreement, the state Medicaid programs are required to provide coverage of the manufacturers' drug products. However, the state has the option of excluding certain categories of the manufacturer's products or requiring prior authorization for reimbursement of products. Manufacturers are required to calculate and make rebate payments to the state Medicaid agency for the manufacturer's covered outpatient drugs reimbursed by the state during each quarter. Manufacturers are to be invoiced no later than sixty days after the end of each calendar quarter and are required to make payment for the calculated drug rebate directly to the state Medicaid program within 38 days of invoicing. For generic drugs, the rebate amount is currently 11% of Average Manufacturer Price (AMP). For single-source drugs, the rebate is the greater of 15% of AMP or the difference between the AMP and the manufacturer's "best price", plus CPI-U factors. Beginning in 2010, federal regulations increased the minimum rebate from 15% to 23% for single-source drugs. These same regulations also required that 100% of these increased rebates are remitted to the federal government, instead of being shared at the normal federal matching rate. The manufacturer has the option of disputing the calculated drug rebate amount if the manufacturer disagrees with the state's drug utilization data. The manufacturer is required to report the nature of the dispute to the state, and the state is then responsible for resolving the dispute through negotiation or a hearing process, if necessary. Approximately 37% of the total rebates collected are used as a state share funding source rather than using General Revenue funds. The approximate 63% federal share of the rebates collected are returned to the federal government.

Prior Authorization

Any covered outpatient drug can be subject to prior authorization. Effective August 1, 1992, a prior authorization (PA) process was implemented for certain specific drugs under the pharmacy program.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.435

Program Name: Pharmacy

Program is found in the following core budget(s): Pharmacy

Drug PA requests are received via telephone, fax or mail. All requests for drug PA must be initiated by a physician or authorized prescriber (advanced practice nurse) with prescribing authority for the drug category for which a PA is being requested. As specified in OBRA 90, drug PA programs must provide a response by telephone or other telecommunication device within 24 hours of receipt. All requests must include all required information. Requests received with insufficient information for review or received from someone other than a physician or authorized prescriber will not initiate a PA review nor the 24-hour response period. Drug PA requests received via telephone are keyed on-line and notification of approval will be given at the time of the call or by return fax or phone call. The MO HealthNet technicians who staff this hotline work through algorithms developed by the Drug Prior Authorization Committee with the assistance of UMKC-DIC School of Pharmacy. These algorithms are sets of questions used to make a determination to approve or deny the request. Making the prior authorization determination on-line allows the PA file to be updated immediately. For approvals, the requestor will be given an authorization period. Pharmacies may record this information for this purpose as well.

Board and Committee Support and Oversight

The MO HealthNet Division operates both prospective and retrospective Drug Utilization Review (DUR) as required by federal and state law. The DUR program is focused on educating health care providers in the appropriate use of medications and informing them of potential drug therapy problems found in the review of drug and diagnostic information obtained from MO HealthNet claims history. The DUR Board is central to all DUR program activities, and its duties and membership requirements are specified in state and federal law. DUR Board members are appointed by the Governor with advice and consent of the Senate, and its 13 members include six physicians, six pharmacists, and one quality assurance nurse. In an ongoing process, the DUR Board reviews and makes changes to the clinical therapeutic criteria used to generate prospective and retrospective DUR interventions. The DUR Board also advises the Division on other issues related to appropriate drug therapy and produces a quarterly newsletter for providers on selected drug topics. In addition to the Board, a Regional DUR Committee, comprised of physicians and pharmacists, evaluates individual participants' retrospective drug regimens and advises their providers on appropriate drug use or potentially problematic drug therapies.

The MO HealthNet Drug Prior Authorization (PA) Committee is established in state regulation. This advisory committee is charged with reviewing drugs and recommending those drugs which are appropriate for reimbursement as a regular benefit verses those which should be placed on prior authorization status. All such recommendations made by the Drug PA Committee are referred to the DUR Board, as they are the statutorily-appointed advisory group for final recommendation to the Division.

Cost Containment Initiatives

As a result of new drugs, rapidly changing prescribing patterns and increased expenditures in the MO HealthNet fee-for-service pharmacy program, the MO HealthNet program continues to implement a number of administrative measures to ensure the economic and efficient provision of the MO HealthNet pharmacy benefit. These strategies have been developed through recommendations from a number of sources, including affected state agencies, provider groups, and the pharmaceutical industry. The intent of these initiatives is to ensure that MO HealthNet participants get the right drug to meet their needs, in the right amount and for the right period of time. Examples of some of the cost containment initiatives include:

- Expanded Missouri Maximum Allowable Cost (MAC) list: The list of drugs for which the state agency has established a generic reimbursement limit will be monitored and expanded on a regular basis. A mechanism is in place to review existing MACs as well as identify new generic drugs for addition to this list as they become available. This optimizes generic utilization in the MO HealthNet program.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.435

Program Name: Pharmacy

Program is found in the following core budget(s): Pharmacy

- **Preferred Drug List (PDL):** The PDL utilizes information from various clinical sources, including the UMKC Drug Information Center, the Oregon Evidence-Based Drug Research Consortium, our clinical contractors, and our own clinical research team. Clinical information is paired with fiscal evaluation to develop a therapeutic class recommendation. The resulting PDL process incorporates clinical edits, including step therapies, into the prescription drug program. Clinical edits are designed to enhance patient care and optimize the use of program funds through therapeutically prudent use of pharmaceuticals. Point-of-sale (POS) pharmacy claims are routed through an automated computer system to apply edits specifically designed to ensure effective and appropriate drug utilization. The goal is to encourage cost effective therapy within the selected drug class.
- **Specialty Medications:** Specialty medications include high-cost injectable, infused, oral, or inhaled drugs that involve specific handling, supervision or monitoring. MO HealthNet will continue to review specialty medications within each of the therapeutic categories to identify clinical editing, preferred drug list (PDL) and prior authorization (PA) opportunities. MO HealthNet is focusing on opportunities to reduce expenditures without compromising participant outcomes. One example is the Missouri Maximum Allowable Cost (MAC) Pricing for Specialty Drugs. The MAC specialty program follows MO HealthNet pricing methodology, utilizing Wholesale Acquisition Cost (WAC) pricing generally available to providers as a basis for pricing the identified specialty medications. In accordance with MO HealthNet MAC program policy, MO HealthNet staff monitors and updates the more inclusive Missouri MAC list.
- **Edits - Dose Optimization:** Effective for dates of service on or after April 16, 2002, claims submitted to the MO HealthNet Pharmacy Program are subject to edits to identify claims for pharmacy services that fall outside expected patterns of use for certain products. Overrides to these edit denials can be processed through the help desk. Justification for utilization outside expected patterns, such as FDA approved labeling, is required for approval of such an override.
- **Pharmacy Provider Tax:** The Missouri General Assembly passed legislation establishing a tax on licensed retail pharmacies in Missouri for the privilege of providing outpatient prescription drugs. The Department of Social Services has notified each pharmacy of the amount of tax due. The tax began in 2002. Effective July 1, 2007, Missouri pharmacies were given an enhanced fee of \$4.82, for a total fee of \$9.66.

Effective for dates of service January 1, 2010 and beyond, the MO HealthNet Pharmacy Program began paying pharmacy providers a generic product preferred incentive fee. This program initiative will continue to emphasize the preference for generic utilization within the MO HealthNet pharmacy program by paying pharmacy providers an enhanced incentive fee of \$4.00 for each eligible claim.

- **Prior Authorization of All New Drugs:** Prior authorization is required for all new drug entities and new dosage forms of these products through existing drug entities that have been approved by the Food and Drug Administration and are available on the market. After identifying First Data Bank's weekly updates, the medications are reviewed for medical and clinical criteria along with pharmacoeconomic impact to the pharmacy program.
- **Diabetic Testing Supplies and Syringes:** In December 2003, the MHD moved diabetic testing supplies and syringes from the DME program to the pharmacy program, and initiated a single source diabetic testing supply initiative, continuing to encourage patient blood glucose testing while minimizing state expenditures. In April 2005, the pharmacy program moved to a multi-source diabetic testing supplies initiative. Diabetic testing supply products and syringes are now available in preferred status from multiple manufacturers, providing greater participant choice.
- **Enhanced Retrospective Drug Utilization:** Enhanced retrospective drug utilization involves retroactively reviewing population-based patterns of drug use to compare those patterns to approved therapeutic guidelines in order to determine the appropriateness of care, length of treatment, drug interaction, and other clinical issues.
- **Provider Audits:** Daily provider audits are performed by MHD/Wipro staff for the identification and resolution of potential recoupments.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.435

Program Name: Pharmacy

Program is found in the following core budget(s): Pharmacy

340b Drug Repricing

340b covered entities are eligible to purchase discounted drugs through the Public Health Service Act's 340b Drug Discount program. Examples of 340b entities include federally qualified health centers, hemophilia treatment centers, disproportionate share hospitals, sole community hospitals, AIDS drug assistance programs, and family planning clinics. The MHD is working collaboratively with stakeholders to encourage 340b participation by covered entities. By working with covered entities, savings from 340b pricing for MO HealthNet participants' prescriptions are shared with the Medicaid program.

Clinical Management Services Program (CMSP)

Through a contract with Xerox (formerly ACS-Heritage), MHD operates an innovative electronic web-based clinical editing process for its point-of-sale pharmacy and medical claims, medical and drug prior authorization, and Drug Utilization Review (DUR) processes. The current CMSP claim processing system allows each claim to be referenced against the participant's claims history including pharmacy, medical and procedural data (ICD-9 and CPT codes), providing real time data to participating MO HealthNet providers. For patients that meet approval criteria, the claim will be paid automatically. In instances when a phone call is necessary, the hotline call center is available seven days a week, which allows providers prompt access to a paid claim for the requested product or service. In addition to receiving messages regarding the outcome of the processing of claims and the amount to be reimbursed, pharmacy providers receive prospective drug use review alert messages at the time prescriptions are dispensed.

The contract with Xerox (formerly ACS-Heritage) utilizes their *CyberAccess*SM tool to create integrated patient profiles containing prescription information, as well as patient diagnoses and procedure codes for a running 24 months of history. *CyberAccess*SM provides: daily updated participant claims history profiles, identifying all drugs, procedures, related diagnoses and ordering providers from claims paid by MHD for a rolling 36 month period; and three years of point of service (POS) pharmacy claims refreshed every ten (10) minutes.

Point-of-Service Pharmacy

Claims are routed through Xerox's automated system to apply edits specifically designed to assure effective utilization of pharmaceuticals. The edits are founded on evidence-based clinical and nationally recognized expert consensus criteria. Claims will continue to be processed by Wipro for all other edits and final adjudication. After processing by Xerox and Wipro, the claim is sent back to the provider with a total processing time of approximately 10 seconds. Claims which are denied by the system edits will require an override from the existing help desk. Providers seeking an override must contact the help desk for approval, which will be granted if medically necessary.

Fiscal and Clinical Edits

This initiative optimizes the use of program funds and enhances patient care through improved use of pharmaceuticals. Since the implementation of the Omnibus Budget Reduction Act of 1990 (OBRA 90), education on the use of pharmaceuticals has been accomplished primarily through DUR. However, the prospective DUR alerts currently generated by the fiscal agent have been largely ignored by pharmacy providers as they are more general in nature and few are tied to claim reimbursement. Other third party payers have successfully utilized more extensive evidence based claims screening edits in an effort to control costs. These edits are applicable within the Medicaid program to achieve similar cost controls.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.435

Program Name: Pharmacy

Program is found in the following core budget(s): Pharmacy

Drug Utilization Review

This process is currently provided by Xerox and will be an extension of the current process with some enhancements. Under the new contract, this initiative will utilize the same database/computer system as the previously described components. This system uses a relational database capable of interfacing MO HealthNet paid claims history with flexible, high quality clinical evaluation criteria. The process is designed to identify high-risk drug use patterns among physicians, pharmacists, and beneficiaries, and to educate providers (prescribers and dispensers) in appropriate and cost-effective drug use. This process is capable of identifying providers prescribing and dispensing practices which deviate from defined standards, as well as generating provider profiles and ad hoc reports for specified provider and participant populations. The goal of the program is to maximize drug therapy and outcomes and optimize expenditures for health care.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Statute: RSMo. 208.152, 208.166, Federal law: Social Security Act Section 1902(a)(12), Federal regulation: 42 CFR 440.120

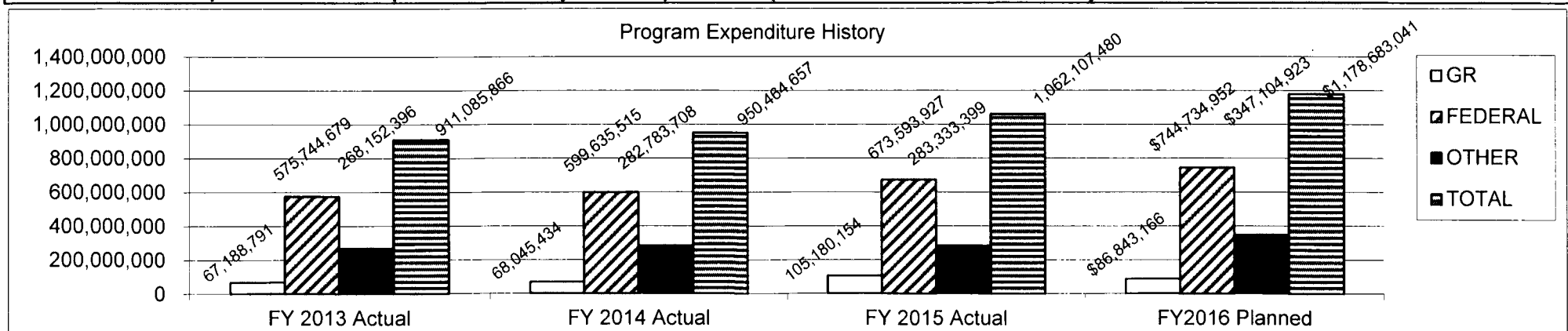
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY16 is a blended 63.323% federal match. The state matching requirement is 36.677%.

4. Is this a federally mandated program? If yes, please explain.

Yes, for children if medically necessary health services are identified under the EPSDT program. This program is not federally mandated for adults.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY 2015 planned is net of reverted and reserved.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.435

Program Name: Pharmacy

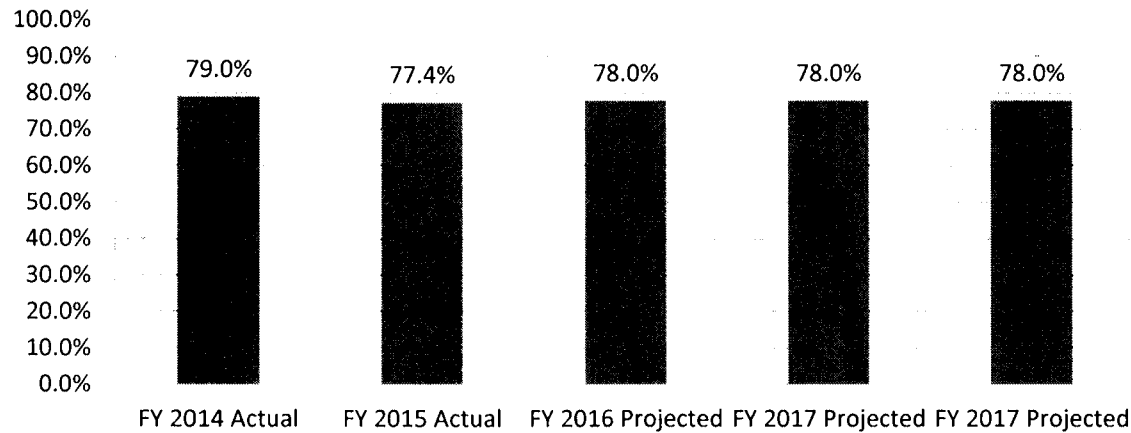
Program is found in the following core budget(s): Pharmacy

6. What are the sources of the "Other " funds?

Pharmacy Reimbursement Allowance Fund (0144), Pharmacy Rebates Fund (0114), Health Initiatives Fund (0275), Third Party Liability Fund (0120), Healthy Families Trust Fund (0625), Premium (0885) and Life Sciences Research Trust Fund (0763).

7a. Provide an effectiveness measure.

Generic Dispensing Rate



The generic dispensing rate is a measure of the percent of prescriptions filled with a generic medication.

7b. Provide an efficiency measure.

N/A

PROGRAM DESCRIPTION

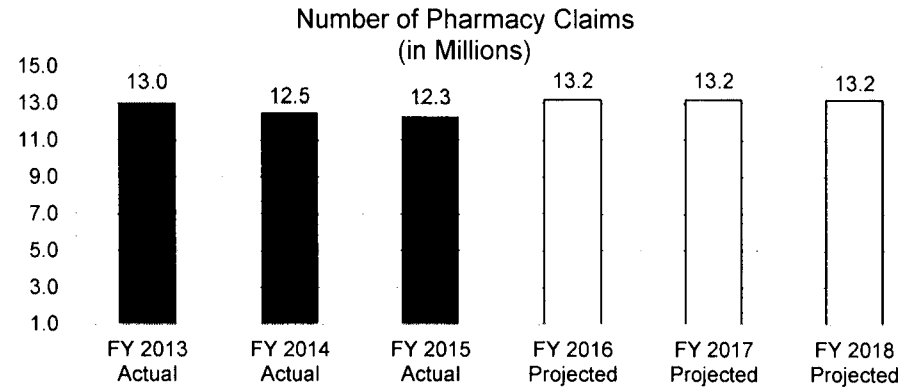
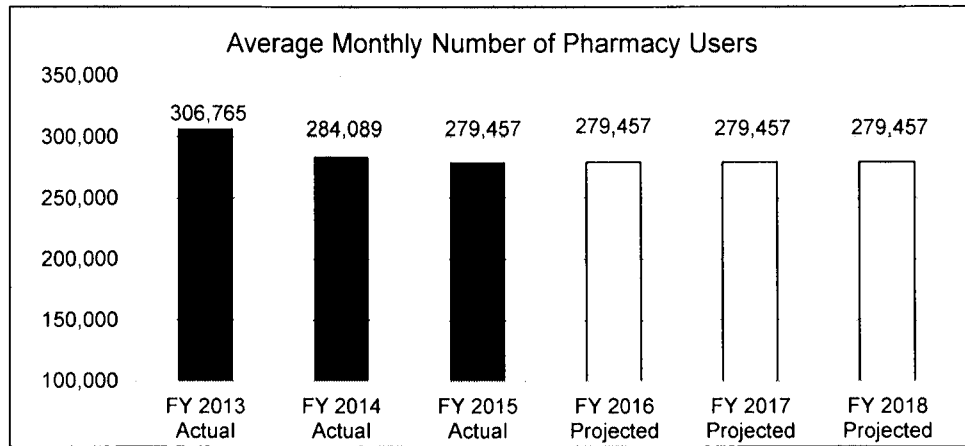
Department: Social Services

HB Section: 11.435

Program Name: Pharmacy

Program is found in the following core budget(s): Pharmacy

7c. Provide the number of clients/individuals served, if applicable.



7d. Provide a customer satisfaction measure, if available.

N/A

Pharmacy- Medicare Part D Clawback

DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN	
PHARMACY-MED PART D-CLAWBACK									
CORE									
PROGRAM-SPECIFIC									
GENERAL REVENUE	183,129,526	0.00	177,600,212	0.00	177,600,212	0.00	0	0.00	
TOTAL - PD	183,129,526	0.00	177,600,212	0.00	177,600,212	0.00	0	0.00	
TOTAL	183,129,526	0.00	177,600,212	0.00	177,600,212	0.00	0	0.00	
MHD FY17 Cost to Continue - 1886001									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	15,557,082	0.00	0	0.00	
TOTAL - PD	0	0.00	0	0.00	15,557,082	0.00	0	0.00	
TOTAL	0	0.00	0	0.00	15,557,082	0.00	0	0.00	
Clawback Increase - 1886012									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	18,073,510	0.00	0	0.00	
TOTAL - PD	0	0.00	0	0.00	18,073,510	0.00	0	0.00	
TOTAL	0	0.00	0	0.00	18,073,510	0.00	0	0.00	
GRAND TOTAL	\$183,129,526	0.00	\$177,600,212	0.00	\$211,230,804	0.00	\$0	0.00	

CORE DECISION ITEM

Department: Social Services
 Division: MO HealthNet
 Core: Pharmacy - Medicare Part D "Clawback"

Budget Unit: 90543C
 HB Section: 11.435

1. CORE FINANCIAL SUMMARY

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	177,600,212			177,600,212
TRF				
Total	177,600,212	0	0	177,600,212

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				

FTE

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other funds:

2. CORE DESCRIPTION

This core request is for the continued funding of the Medicare Part D "Clawback". A portion of the Medicare Prescription Drug Act requires states to pay Medicare a portion of the cost of Part D drugs attributable to what would have been paid for by the state absent the Part D drug benefit.

3. PROGRAM LISTING (list programs included in this core funding)

Pharmacy-Medicare Part D "Clawback"

CORE DECISION ITEM

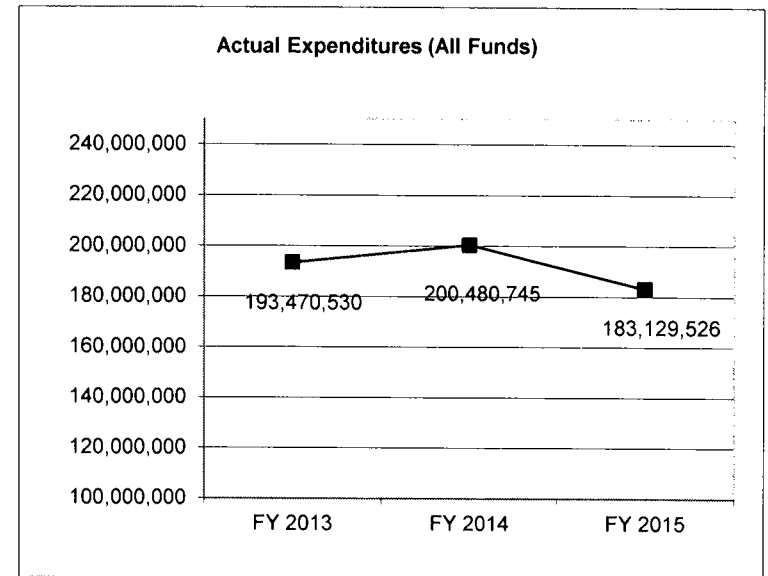
Department: Social Services
Division: MO HealthNet
Core: Pharmacy - Medicare Part D "Clawback"

Budget Unit: 90543C

HB Section: 11.435

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	193,470,530	200,480,745	183,129,526	177,600,212
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	186,236,499	200,480,745	183,129,526	N/A
Actual Expenditures (All Funds)	193,470,530	200,480,745	183,129,526	N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A
	(1)	(2)	(3)	



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY13 Estimated appropriation or "E" status was removed. \$2,379,722 from Supplemental Pool

(2) FY14 \$8,113,113 of expenditures are for Pharmacy.

(3) FY15 \$23,054,861 of expenditures are for Pharmacy.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES PHARMACY-MED PART D-CLAWBACK

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	177,600,212	0	0	177,600,212	
	Total	0.00	177,600,212	0	0	177,600,212	
DEPARTMENT CORE REQUEST							
	PD	0.00	177,600,212	0	0	177,600,212	
	Total	0.00	177,600,212	0	0	177,600,212	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	177,600,212	0	0	177,600,212	
	Total	0.00	177,600,212	0	0	177,600,212	

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90543C BUDGET UNIT NAME: Clawback HOUSE BILL SECTION: 11.435	DEPARTMENT: Social Services DIVISION: MO HealthNet
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1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

DEPARTMENT REQUEST

	Core	% Flex Requested	Flex Reqeusted Amount
<i>Total Program Request</i>	\$177,600,212	10%	\$17,760,021
	\$177,600,212	25%	\$17,760,022

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
None.	H.B. 11 language allows for up to 10% flexibility between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.485, 11.490, 11.505, 11.510, 11.550, 11.555, and 11.595 and 25% flexibility for use of this section for managed care.	10% flexibility between sections and 25% flexibility between FFS and Managed Care is being requested for FY 17.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
None.	Flexibility allows DSS to provide continued Medicaid benefits without an interruption in reimbursement to providers or partial payments.

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
PHARMACY-MED PART D-CLAWBACK								
CORE								
PROGRAM DISTRIBUTIONS	183,129,526	0.00	177,600,212	0.00	177,600,212	0.00	0	0.00
TOTAL - PD	183,129,526	0.00	177,600,212	0.00	177,600,212	0.00	0	0.00
GRAND TOTAL	\$183,129,526	0.00	\$177,600,212	0.00	\$177,600,212	0.00	\$0	0.00
GENERAL REVENUE	\$183,129,526	0.00	\$177,600,212	0.00	\$177,600,212	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.435

Program Name: Pharmacy - Medicare Part D "Clawback"

Program is found in the following core budget(s): Pharmacy - Medicare Part D "Clawback"

1. What does this program do?

The Medicare Prescription Drug Improvement and Modernization Act (MMA) of 2003 required that all individuals who are eligible for both Medicare and MO HealthNet receive their prescription drugs through the Medicare Part D program. This change resulted in a significant shift in benefits for elderly and disabled dual eligible participants because they receive their drugs through a prescription drug plan (PDP) rather than through the state's MO HealthNet program.

The federal government refers to this payment as the "Phased-down State Contribution", while Missouri refers to the payment as the "clawback". This clawback payment is, in effect, a funding source for the Medicare Part D program. In fact, it uses the General Revenue that the state would have paid for the dual eligible MO HealthNet pharmacy benefit for funding the Part D program.

States are required to make a monthly payment to the federal government to re-direct the money that the states would have spent on providing prescription drugs to participants in the MO HealthNet program. The clawback consists of a monthly calculation based on the combination of (a) the state's per capita spending on prescription drugs in 2003, (b) the state's federal Medicaid match rate, (c) the number of dual eligible's residing in the state, and (d) a "phase-down percentage" of state savings to be returned to the federal government beginning with 90% in 2006 and phasing down to 75% in 2015. The phased-down percentage for CY 2017 is at the floor of 75.00%.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Medicare Prescription Drug Improvement and Modernization Act (MMA) of 2003, P.L. 108-173.

3. Are there federal matching requirements? If yes, please explain.

No.

4. Is this a federally mandated program? If yes, please explain.

Yes. All States, including Missouri, are required to make a monthly payment to the federal government to re-direct the money that the states would have spent on providing prescription drugs to participants in MO HealthNet.

PROGRAM DESCRIPTION

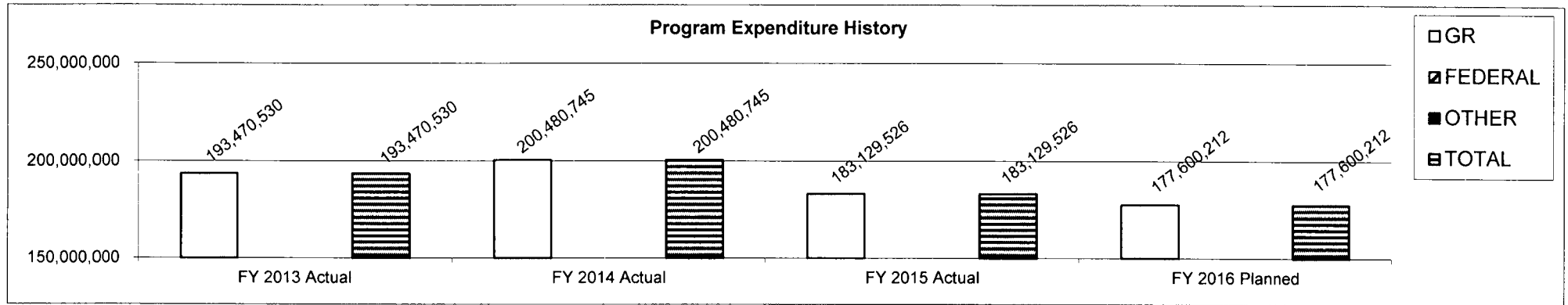
Department: Social Services

HB Section: 11.435

Program Name: Pharmacy - Medicare Part D "Clawback"

Program is found in the following core budget(s): Pharmacy - Medicare Part D "Clawback"

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

N/A

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

N/A

PROGRAM DESCRIPTION

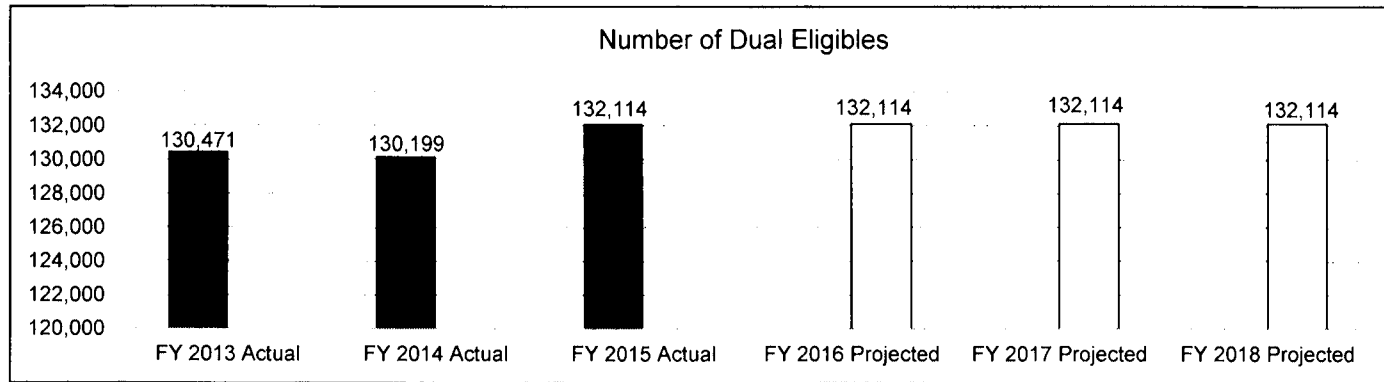
Department: Social Services

HB Section: 11.435

Program Name: Pharmacy - Medicare Part D "Clawback"

Program is found in the following core budget(s): Pharmacy - Medicare Part D "Clawback"

7c. Provide the number of clients/individuals served, if applicable.



7d. Provide a customer satisfaction measure, if available.

N/A

NEW DECISION ITEM
RANK: 15 OF 29

Department: Social Services
Division: MO HealthNet
DI Name: Clawback Increase

Budget Unit: 90543C
HB Section: 11.435

DI# 1886012

1. AMOUNT OF REQUEST

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	18,073,510			18,073,510
TRF				
Total				18,073,510
FTE	0.00	0.00	0.00	0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0
FTE	0.00	0.00	0.00	0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

<input checked="" type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/> Other:	

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: To provide for the anticipated increase in the Medicare Part D Clawback payment.

This decision item requests increased funding in General Revenue needed for the payment of the Medicare Part D Clawback, as calculated by the Centers for Medicare and Medicaid Services (CMS). The Medicare Prescription Drugs Act requires states to pay Medicare a portion of the cost of Part D drugs attributable to what would have been paid for by the state absent the Part D drug benefit.

RANK: 15 OF 29

HB Section: 11.435

The calculation for the MO HealthNet Clawback payment is shown below. There is no projected caseload growth; therefore, the increase is based entirely on the rate change. The clawback assessment rate is provided by CMS. The May assessment is included in the calculation because the assessment is paid two months in arrears. The number of duals is the average duals for the period April 2015 through July 2015. The clawback rate is revised by CMS each January. The May through December 2016 clawback rate is based on the most current CMS estimate. The January through April 2017 clawback rate assumes a 4% increase.

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NEW DECISION ITEM
RANK: 15 OF 29

Department: Social Services
Division: MO HealthNet
DI Name: Clawback Increase

DI# 1886012

Budget Unit: 90543C
HB Section: 11.435

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One- Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	18,073,510						18,073,510		
Total PSD	18,073,510		0		0		18,073,510		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	18,073,510	0.0	0	0.0	0	0.0	18,073,510	0.0	0

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions							0		
Total PSD	0		0		0		0		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0

NEW DECISION ITEM
RANK: 15 OF 29

Department: Social Services
Division: MO HealthNet
DI Name: Clawback Increase

DI# 1886012

Budget Unit: 90543C
HB Section: 11.435

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

N/A

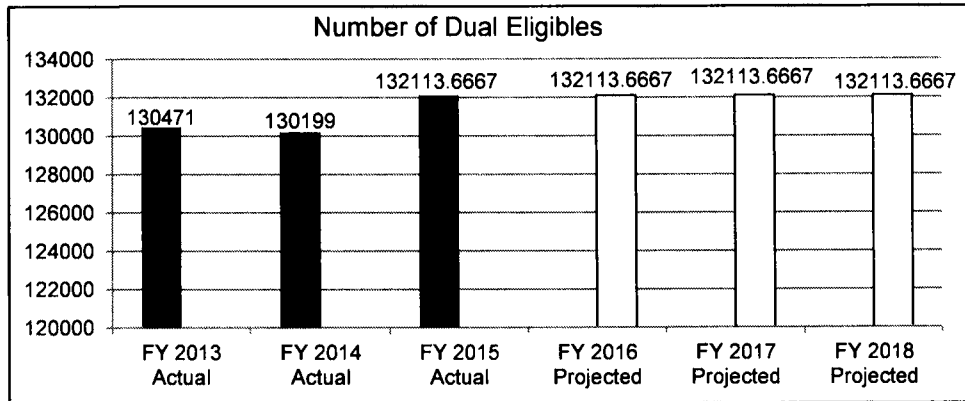
6b. Provide an efficiency measure.

N/A

6c. Provide the number of clients/individuals served, if applicable.

6d. Provide a customer satisfaction measure, if available.

N/A



7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
PHARMACY-MED PART D-CLAWBACK								
Clawback Increase - 1886012								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	18,073,510	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	18,073,510	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$18,073,510	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$18,073,510	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

Missouri RX Plan

DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
MISSOURI RX PLAN								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	6,370,046	0.00	17,003,822	0.00	17,003,822	0.00	0	0.00
HEALTHY FAMILIES TRUST	4,838,657	0.00	0	0.00	0	0.00	0	0.00
MISSOURI RX PLAN FUND	10,918,958	0.00	6,982,425	0.00	4,655,326	0.00	0	0.00
TOTAL - PD	22,127,661	0.00	23,986,247	0.00	21,659,148	0.00	0	0.00
TOTAL	22,127,661	0.00	23,986,247	0.00	21,659,148	0.00	0	0.00
MO Rx GR Pickup - 1886005								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	2,327,099	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	2,327,099	0.00	0	0.00
TOTAL	0	0.00	0	0.00	2,327,099	0.00	0	0.00
GRAND TOTAL	\$22,127,661	0.00	\$23,986,247	0.00	\$23,986,247	0.00	\$0	0.00

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CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Missouri Rx Plan

Budget Unit: 90538C

HB Section: 11.435

1. CORE FINANCIAL SUMMARY

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	17,003,822		4,655,326	21,659,148
TRF				
Total	17,003,822	0	4,655,326	21,659,148
FTE				0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0
FTE				0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Missouri Rx Plan Fund (0779)

2. CORE DESCRIPTION

The Missouri Rx Plan provides certain pharmaceutical benefits to certain low-income elderly and disabled residents of the state; facilitates coordination of benefits between the Missouri Rx plan and the federal Medicare Part D drug benefit program established by the Medicare Prescription Drug Improvement and Modernization Act of 2003 (MMA), P.L. 108-173; and enrolls individuals in the program.

3. PROGRAM LISTING (list programs included in this core funding)

Pharmacy services under MMA - Part D

CORE DECISION ITEM

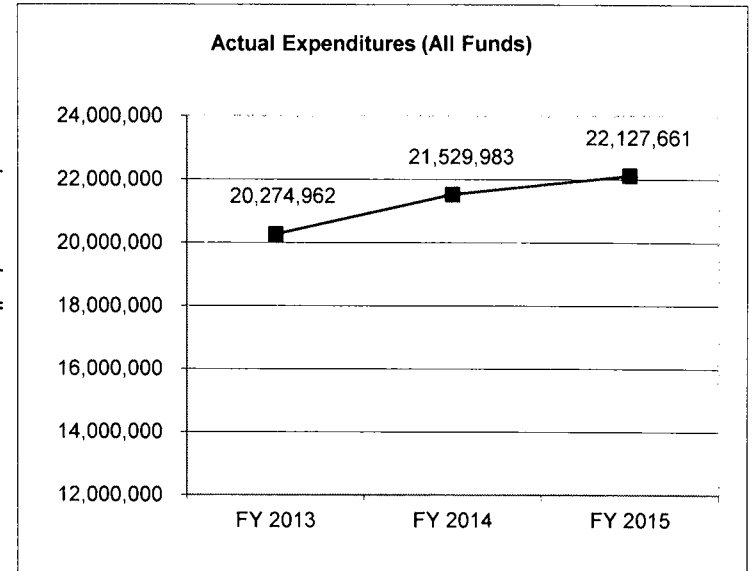
Department: Social Services
Division: MO HealthNet
Core: Missouri Rx Plan

Budget Unit: 90538C

HB Section: 11.435

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	24,385,543	23,753,091	23,753,091	23,986,247
Less Reverted (All Funds)	0	(191,101)	0	N/A
Budget Authority (All Funds)	21,672,666	24,385,543	23,753,091	N/A
Actual Expenditures (All Funds)	20,274,962	21,529,983	22,127,661	N/A
Unexpended (All Funds)	4,110,581	2,032,007	1,625,430	N/A
Unexpended, by Fund:				
General Revenue	0	211,027	0	N/A
Federal	0	0	0	N/A
Other	4,110,581	1,820,980	1,625,430	N/A
	(1)	(2)	(3)	



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) Fy13 Estimated appropriation or "E" was removed.

(2) FY14 GR lapse of \$211,027 due to fund switches for reduced availability of GR.

(3) FY15 GR lapse of \$1,625,430 from the MO Rx Fund due to shortfall in revenue to the fund.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES MISSOURI RX PLAN

5. CORE RECONCILIATION DETAIL

				Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES										
				PD	0.00	17,003,822	0	6,982,425	23,986,247	
				Total	0.00	17,003,822	0	6,982,425	23,986,247	
DEPARTMENT CORE ADJUSTMENTS										
Core Reduction	224	1024		PD	0.00	0	0	(2,327,099)	(2,327,099)	Core reduction of MO Rx Fund excess authority - corresponding GR Pickup NDI
NET DEPARTMENT CHANGES					0.00	0	0	(2,327,099)	(2,327,099)	
DEPARTMENT CORE REQUEST										
				PD	0.00	17,003,822	0	4,655,326	21,659,148	
				Total	0.00	17,003,822	0	4,655,326	21,659,148	
GOVERNOR'S RECOMMENDED CORE										
				PD	0.00	17,003,822	0	4,655,326	21,659,148	
				Total	0.00	17,003,822	0	4,655,326	21,659,148	

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90538C BUDGET UNIT NAME: MO Rx Program HOUSE BILL SECTION: 11.435	DEPARTMENT: Social Services DIVISION: MO HealthNet
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1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

DEPARTMENT REQUEST

	Core	% Flex Requested	Flex Requested Amount
<i>Total Program Request</i>	\$23,986,247	10%	\$2,398,625
	\$23,986,247	25%	\$5,996,562

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
None.	H.B. 11 language allows for up to 10% flexibility between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.485, 11.490, 11.505, 11.510, 11.550, 11.555, and 11.595 and 25% flexibility for use of this section for managed care.	10% flexibility between sections and 25% flexibility between FFS and Managed Care is being requested for FY 17.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
None.	Flexibility allows DSS to provide continued Medicaid benefits without an interruption in reimbursement to providers or partial payments.

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
MISSOURI RX PLAN								
CORE								
PROGRAM DISTRIBUTIONS	22,127,661	0.00	23,986,247	0.00	21,659,148	0.00	0	0.00
TOTAL - PD	22,127,661	0.00	23,986,247	0.00	21,659,148	0.00	0	0.00
GRAND TOTAL	\$22,127,661	0.00	\$23,986,247	0.00	\$21,659,148	0.00	\$0	0.00
GENERAL REVENUE	\$6,370,046	0.00	\$17,003,822	0.00	\$17,003,822	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$15,757,615	0.00	\$6,982,425	0.00	\$4,655,326	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.435

Program Name: Missouri Rx Plan

Program is found in the following core budget(s): Missouri Rx Plan

1. What does this program do?

SB 539 (2005) established a state pharmaceutical assistance program known as the Missouri Rx (MORx) Plan. The purpose of this program is to coordinate pharmaceutical benefits between the MORx plan and the federal Medicare Part D drug program for Medicare/Medicaid full dual eligibles, partial duals and other elderly and disabled Missourians below 185% of the Federal Poverty Level (FPL). Subject to appropriation, the MORx plan pays 50% of members' out of pocket costs remaining after their Medicare Prescription Drug Plan pays. MORx pays for 50% of the deductible, 50% of the co-pays before the coverage gap, 50% of the coverage gap and 50% of the co-pays in the catastrophic coverage.

MORx works with all Medicare Part D plans to provide members with drug coverage.

The MORx program has been reauthorized by the General Assembly through August 28, 2017.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.780 through 208.798; Federal law: Medicare Prescription Drug Improvement and Modernization Act of 2003, P.L. 108-173.

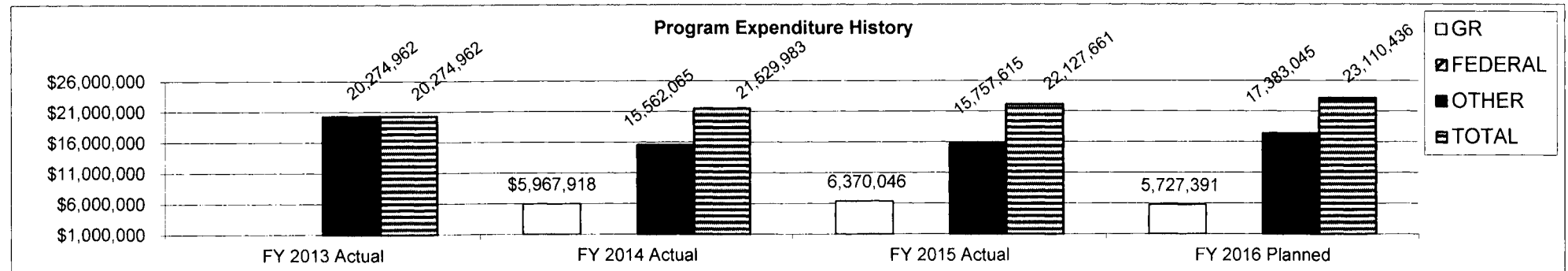
3. Are there federal matching requirements? If yes, please explain.

No. This program is funded with 100% state sources.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.

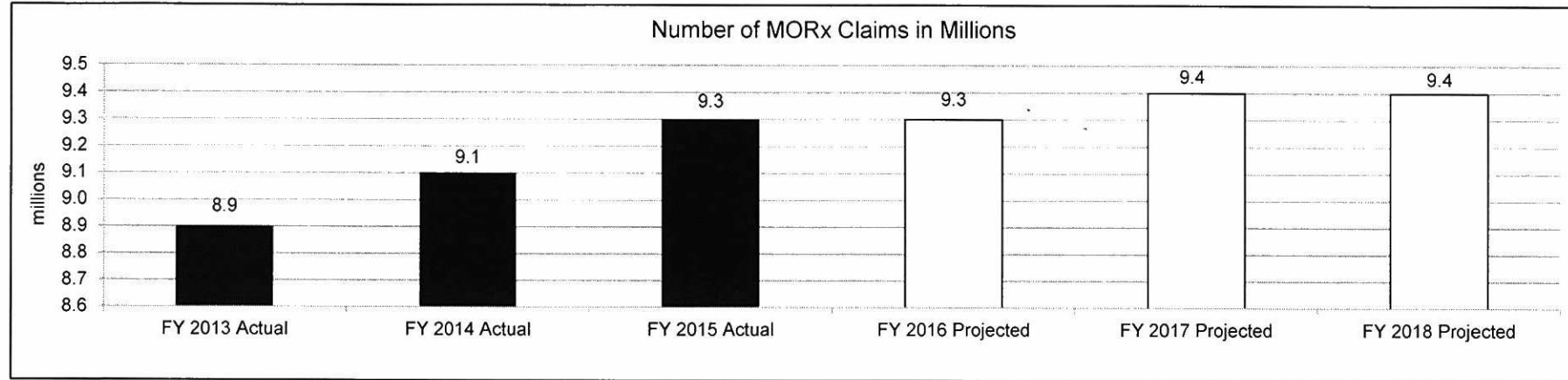


FY 2016 planned is a net of reverted and reserves.

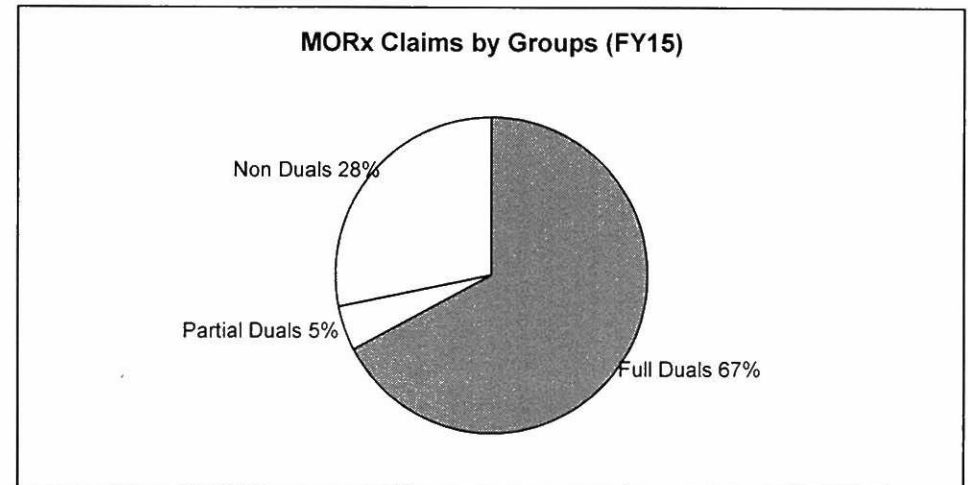
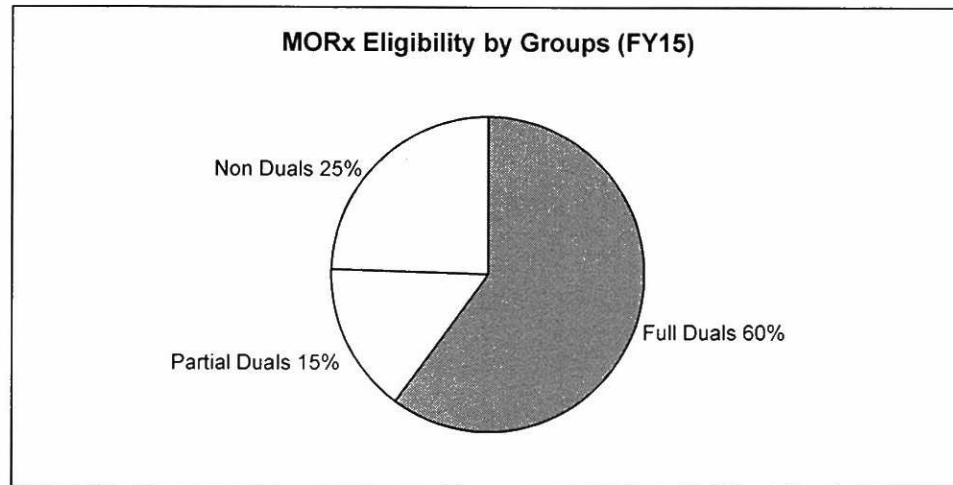
6. What are the sources of the "Other " funds?

Missouri Rx Plan Fund (0779)

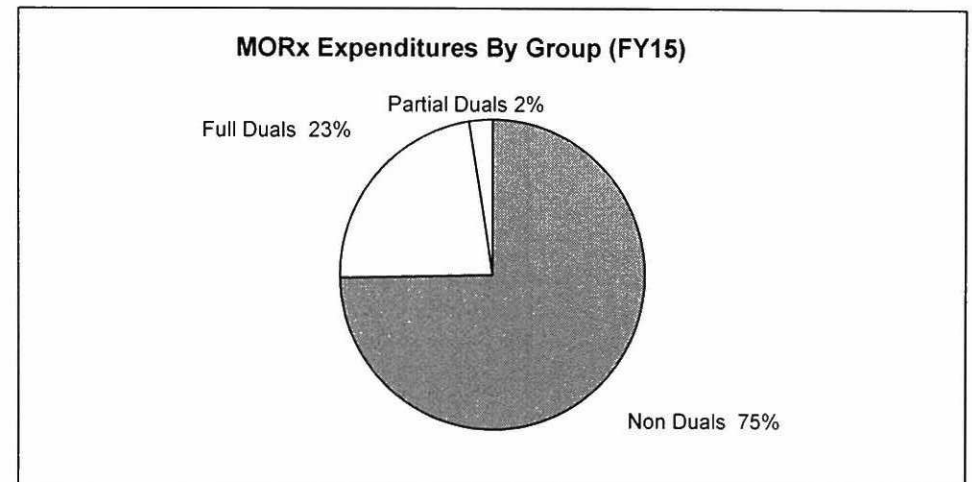
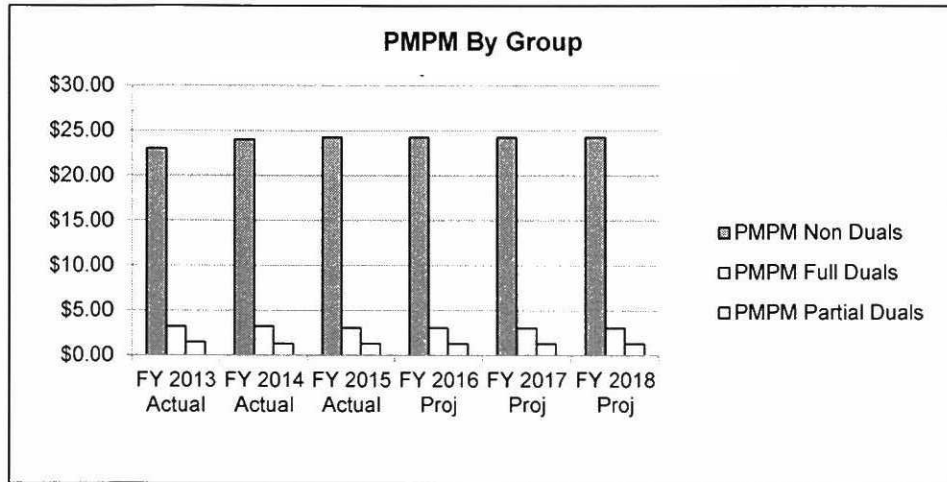
7a. Provide an effectiveness measure.



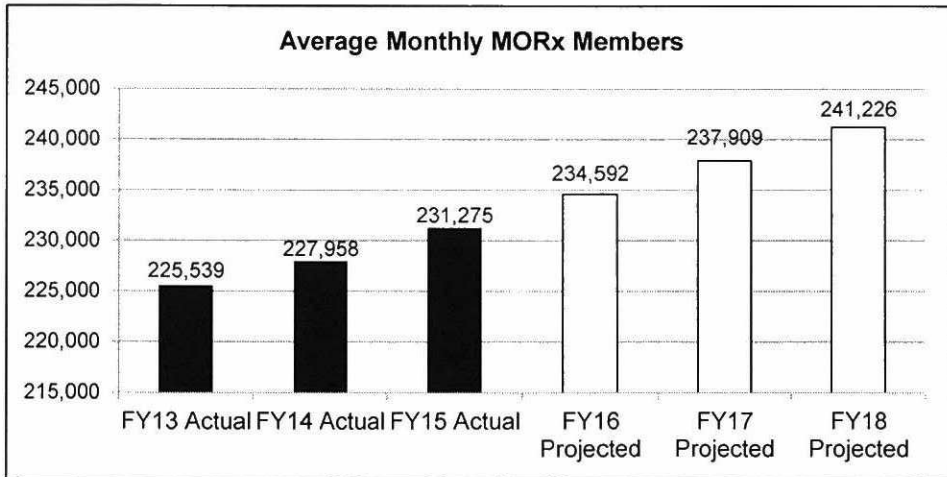
Most MORx members receive extra help with their prescription drug costs through the federal government's Low Income Subsidy Program (LIS). With the MORx wrap-around benefit, their cost was \$3.30 or less for each prescription for calendar year 2015.



7b. Provide an efficiency measure.



7c. Provide the number of clients/individuals served, if applicable.



7d. Provide a customer satisfaction measure, if available.

N/A

NEW DECISION ITEM
RANK: 9 OF 29

Department: Social Services
Division: MO HealthNet
DI Name: MORx GR Pickup

DI# 1886005

Budget Unit 90538C

House Bill 11.435

1. AMOUNT OF REQUEST

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS				0
EE				0
PSD	2,327,099			2,327,099
TRF				0
Total	2,327,099	0	0	2,327,099
FTE	0.00	0.00	0.00	0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0
FTE	0.00	0.00	0.00	0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input checked="" type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/> Other:	

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: This NDI seeks general revenue to fully fund the MORx program.

This decision item seeks general revenue to sufficiently fund the MORx program due to a cash shortfall in the Missouri Rx Plan Fund.

The MORx Plan Fund is not projected to have sufficient revenues to fund the MORx Program in FY17. General revenue is requested for this shortfall of \$2.3 million

State Statute: 208.780 - 208.798 RSMo.

NEW DECISION ITEM
RANK: 9 OF 29

Department: Social Services
Division: MO HealthNet
DI Name: MORx GR Pickup

DI# 1886005

Budget Unit: 90538C
HB Section: 11.435

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The MORx Plan Fund is not projected to have sufficient revenues to fund the MORx Program in FY17. General revenue is requested for this shortfall of \$2.3 million. The source of revenue for the MO Rx Fund are pharmacy rebates for the prescriptions to MO Rx participants. The state does not receive any rebate for generic drugs. As the utilization of generic drugs increases, the amount the state receives for rebates also declines.

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	2,327,099						2,327,099		
Total PSD	2,327,099		0		0		2,327,099		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	2,327,099	0.0	0	0.0	0	0.0	2,327,099	0.0	0

NEW DECISION ITEM

RANK: 9 OF 29

Department: Social Services

Budget Unit: 90538C

Division: MO HealthNet

DI Name: MORx GR Pickup

DI# 1886005

HB Section: 11.435

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>	<u>0</u>
Total EE	<u>0</u>		<u>0</u>		<u>0</u>		<u>0</u>		<u>0</u>
Program Distributions									
Total PSD	<u>0</u>		<u>0</u>		<u>0</u>		<u>0</u>		<u>0</u>
Transfers									
Total TRF	<u>0</u>		<u>0</u>		<u>0</u>		<u>0</u>		<u>0</u>
Grand Total	<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>	<u>0</u>

NEW DECISION ITEM
RANK: 9 OF 29

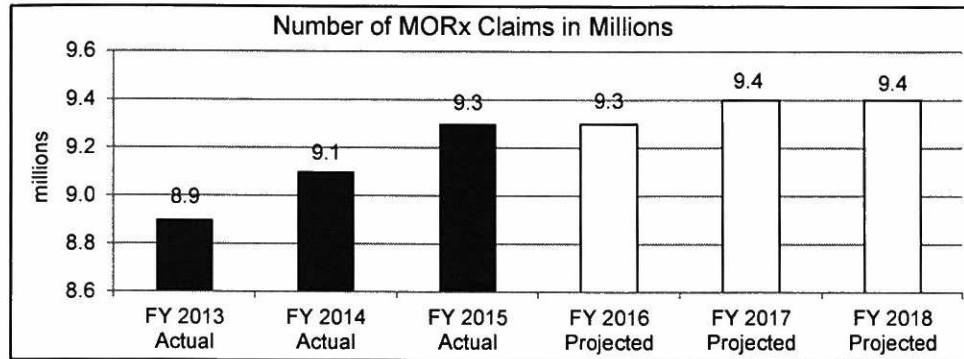
Department: Social Services
Division: MO HealthNet
DI Name: MORx GR Pickup

DI# 1886005

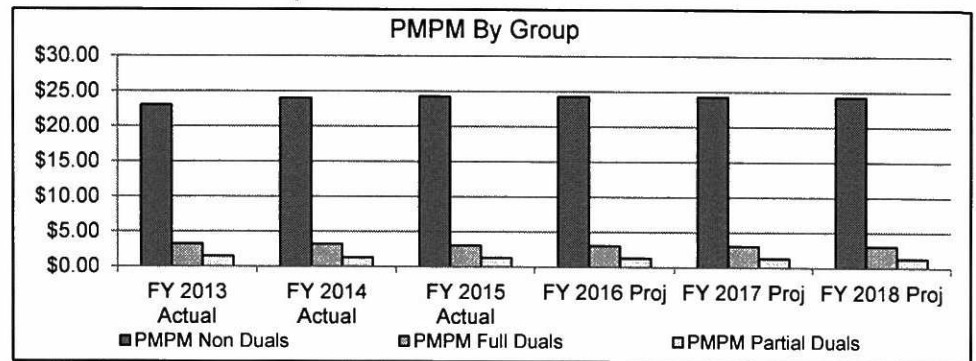
Budget Unit: 90538C
HB Section: 11.435

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional

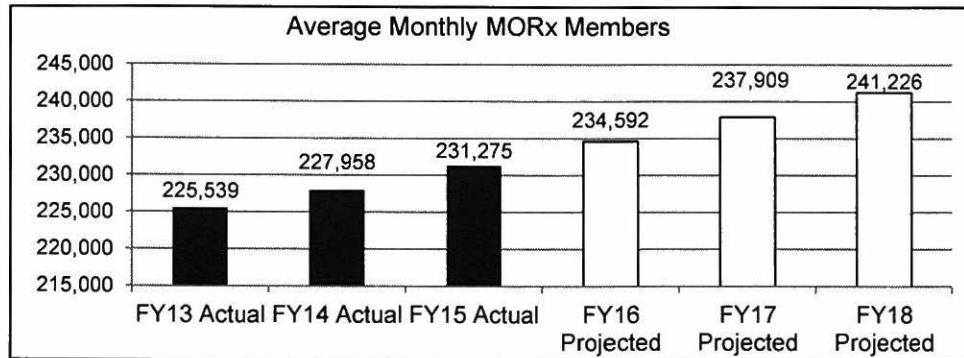
6a. Provide an effectiveness measure.



6b. Provide an efficiency measure.



6c. Provide the number of clients/individuals served, if applicable.



6d. Provide a customer satisfaction measure, if available.

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
MISSOURI RX PLAN								
MO Rx GR Pickup - 1886005								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	2,327,099	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	2,327,099	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$2,327,099	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$2,327,099	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

Pharmacy FRA

DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN	
PHARMACY FRA									
CORE									
PROGRAM-SPECIFIC									
PHARMACY REIMBURSEMENT ALLOWAN	91,056,955	0.00	108,308,926	0.00	108,308,926	0.00	0	0.00	
TOTAL - PD	91,056,955	0.00	108,308,926	0.00	108,308,926	0.00	0	0.00	
TOTAL	91,056,955	0.00	108,308,926	0.00	108,308,926	0.00	0	0.00	
GRAND TOTAL	\$91,056,955	0.00	\$108,308,926	0.00	\$108,308,926	0.00	\$0	0.00	

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CORE DECISION ITEM

Department: Social Services

Budget Unit: 90542C

Division: MO HealthNet

Core: Pharmacy Federal Reimbursement Allowance (PFRA) Payments

HB Section: 11.440

1. CORE FINANCIAL SUMMARY

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD			108,308,926	108,308,926
TRF				
Total			108,308,926	108,308,926

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Pharmacy Reimbursement Allowance Fund (0144)

Other Funds:

2. CORE DESCRIPTION

This core request is for ongoing funding for payments for pharmacy services for Title XIX participants. Funds from this core are used to provide enhanced dispensing fee payment rates using the Pharmacy Federal Reimbursement Allowance under the Title XIX of the Social Security Act as a General Revenue equivalent. Pharmacies are assessed a provider tax for the privilege of doing business in the state. The assessment is a general revenue equivalent, and when used to make valid Medicaid payments, can earn federal Medicaid matching funds. These earnings fund the PFRA program appropriation and the Pharmacy appropriation.

3. PROGRAM LISTING (list programs included in this core funding)

Pharmacy Federal Reimbursement Allowance (PFRA) Program

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Pharmacy Federal Reimbursement Allowance (PFRA) Payments

Budget Unit: 90542C
HB Section: 11.440

4. FINANCIAL HISTORY

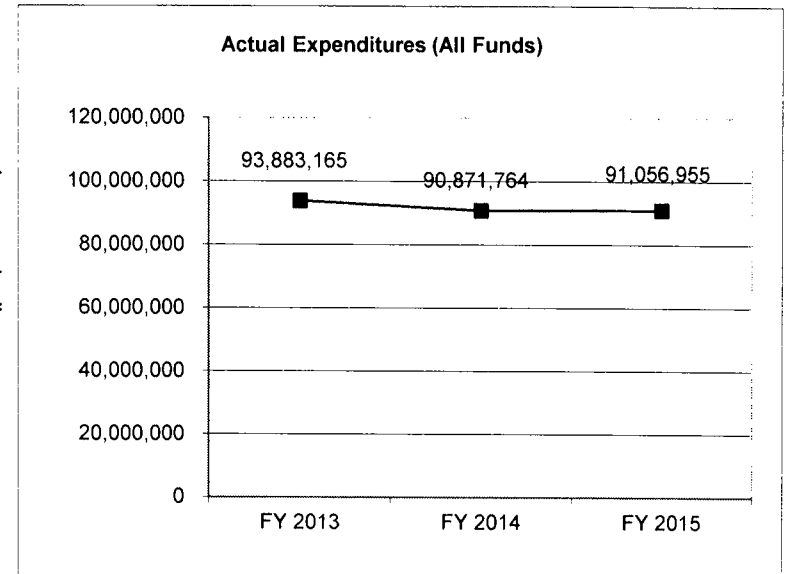
	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	108,308,926	108,308,926	108,308,926	108,308,926
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	108,308,926	108,308,926	108,308,926	N/A
Actual Expenditures (All Funds)	93,883,165	90,871,764	91,056,955	N/A
Unexpended (All Funds)	14,425,761	17,437,162	17,251,971	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	14,425,761	17,437,162	17,251,971	N/A

(1)

Reverted includes statutory reserve amounts (when applicable).
Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY13 Appropriation increased due to estimated appropriation or "E" status being removed.



CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES PHARMACY FRA

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	0	0	108,308,926	108,308,926	
	Total	0.00	0	0	108,308,926	108,308,926	
DEPARTMENT CORE REQUEST							
	PD	0.00	0	0	108,308,926	108,308,926	
	Total	0.00	0	0	108,308,926	108,308,926	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	0	0	108,308,926	108,308,926	
	Total	0.00	0	0	108,308,926	108,308,926	

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
PHARMACY FRA								
CORE								
PROGRAM DISTRIBUTIONS	91,056,955	0.00	108,308,926	0.00	108,308,926	0.00	0	0.00
TOTAL - PD	91,056,955	0.00	108,308,926	0.00	108,308,926	0.00	0	0.00
GRAND TOTAL	\$91,056,955	0.00	\$108,308,926	0.00	\$108,308,926	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$91,056,955	0.00	\$108,308,926	0.00	\$108,308,926	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.440

Program Name: Pharmacy Federal Reimbursement Allowance (PFRA) Payments

Program is found in the following core budget(s): Pharmacy Federal Reimbursement Allowance (PFRA)

1. What does this program do?

Pharmacies are assessed a provider tax for the privilege of doing business in the state of Missouri. The assessment is a General Revenue equivalent, and when used to make valid Medicaid payments, can earn federal Medicaid matching funds. These earnings fund the Pharmacy Federal Reimbursement Allowance (PFRA) program. This program provides funding to pay enhanced fees to pharmacies using the Pharmacy Federal Reimbursement Allowance Fund as a General Revenue equivalent.

The PFRA program has been reauthorized by the General Assembly through June 30, 2016.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 338.500; Federal law: Social Security Act Section 1903(w); Federal Regulation: 42 CFR 433 Subpart B

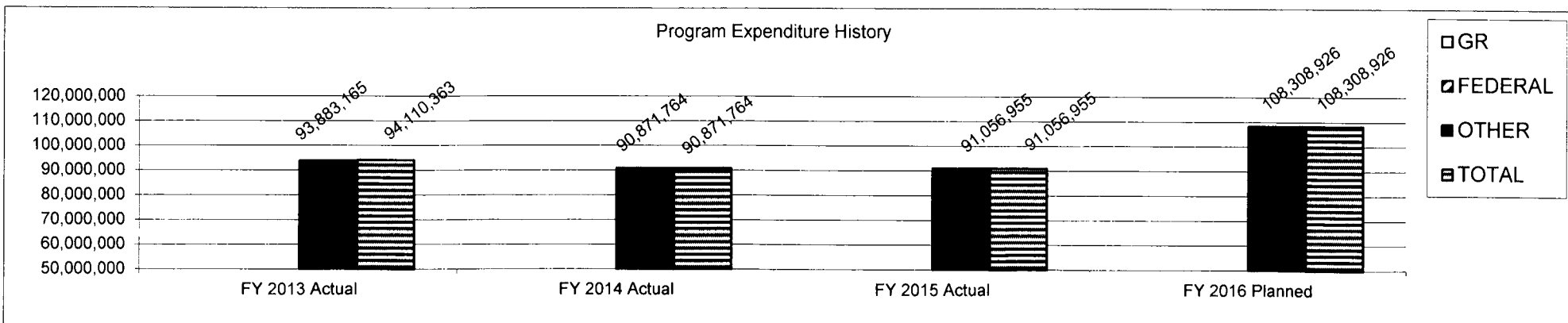
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal dollars on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY16 is a blended 63.323% federal match. The state matching requirement is 36.677%.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.440

Program Name: Pharmacy Federal Reimbursement Allowance (PFRA) Payments

Program is found in the following core budget(s): Pharmacy Federal Reimbursement Allowance (PFRA)

6. What are the sources of the "Other " funds?

Pharmacy Federal Reimbursement Allowance (0144)

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

Pharmacy FRA Tax Assessments Revenues Obtained to Draw Federal Dollars	
SFY	Assessments
2013	\$97.5 mil
2014	\$93.6 mil
2015	\$89.1 mil
2016	\$98.8 mil estimated
2017	\$98.8 mil estimated
2018	\$98.8 mil estimated

7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A

Physician Related

DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
PHYSICIAN RELATED PROF								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	1,612,067	0.00	1,705,342	0.00	1,705,342	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	1,587,402	0.00	1,915,395	0.00	1,915,395	0.00	0	0.00
HEALTH INITIATIVES	173,895	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	3,373,364	0.00	3,620,737	0.00	3,620,737	0.00	0	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	201,001,257	0.00	84,113,271	0.00	84,763,271	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	456,457,944	0.00	247,879,866	0.00	251,929,866	0.00	0	0.00
THIRD PARTY LIABILITY COLLECT	6,500,000	0.00	0	0.00	0	0.00	0	0.00
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	10,000	0.00	10,000	0.00	0	0.00
HEALTH INITIATIVES	1,210,374	0.00	1,427,081	0.00	1,427,081	0.00	0	0.00
TAX AMNESTY FUND	0	0.00	5,484,349	0.00	5,484,349	0.00	0	0.00
HEALTHY FAMILIES TRUST	6,041,034	0.00	11,825,877	0.00	11,825,877	0.00	0	0.00
TOTAL - PD	671,210,609	0.00	350,740,444	0.00	355,440,444	0.00	0	0.00
TOTAL	674,583,973	0.00	354,361,181	0.00	359,061,181	0.00	0	0.00
MHD FY17 Cost to Continue - 1886001								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	27,850,288	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	7,797,249	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	35,647,537	0.00	0	0.00
TOTAL	0	0.00	0	0.00	35,647,537	0.00	0	0.00
ABA for Children with Autism - 1886013								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	4,426,654	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	7,642,638	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	12,069,292	0.00	0	0.00
TOTAL	0	0.00	0	0.00	12,069,292	0.00	0	0.00

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DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN	
PHYSICIAN RELATED PROF									
ABLE Accounts - 1886039									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	630,729	0.00	0	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	1,649,933	0.00	0	0.00	
FEDERAL REIMBURSEMENT ALLOWANCE	0	0.00	0	0.00	162,461	0.00	0	0.00	
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	0	0.00	162,461	0.00	0	0.00	
TOTAL - PD	0	0.00	0	0.00	2,605,584	0.00	0	0.00	
TOTAL	0	0.00	0	0.00	2,605,584	0.00	0	0.00	
GRAND TOTAL	\$674,583,973	0.00	\$354,361,181	0.00	\$409,383,594	0.00	\$0	0.00	

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CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Physician Related

Budget Unit: 90544C, 90576C

HB Section: 11.455, 11.528

1. CORE FINANCIAL SUMMARY

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS				
EE	1,705,342	1,915,395		3,620,737
PSD	84,763,271	251,929,866	18,747,307	355,440,444
TRF				
Total	86,468,613	253,845,261	18,747,307	359,061,181

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Health Initiatives Fund (HIF) (0275)
Healthy Families Trust Fund (0625)
Pharmacy Reimbursement Allowance Fund (0144)
Tax Amnesty Fund (0470)

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

This core request is for the ongoing funding for professional services provided to MO HealthNet participants by physicians, nurse practitioners, clinics, lab and x-ray facilities, nurse midwives, podiatrists, certified registered nurse anesthetists, anesthesiologist assistants, independent diagnostic testing facilities, rural health clinics, federally qualified health centers, psychologists, professional counselors, licensed clinical social workers, health homes, asthma educators and in-home environmental assessors.

3. PROGRAM LISTING (list programs included in this core funding)

Physician Related

CORE DECISION ITEM

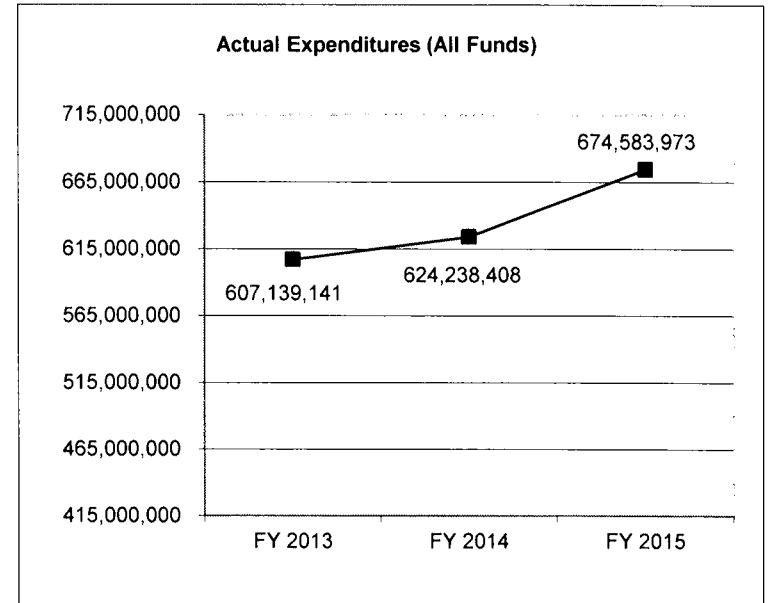
Department: Social Services
Division: MO HealthNet
Core: Physician Related

Budget Unit: 90544C, 90576C

HB Section: 11.455, 11.528

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr
Appropriation (All Funds)	618,122,109	677,098,023	678,319,976	354,361,181
Less Reverted (All Funds)	(42,812)	(42,812)	(42,812)	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	618,079,297	677,055,211	678,277,164	N/A
Actual Expenditures (All Funds)	607,139,141	624,238,408	674,583,973	N/A
Unexpended (All Funds)	10,940,156	52,816,803	3,693,191	N/A
Unexpended, by Fund:				
General Revenue	0	2,283	0	N/A
Federal	10,940,156	50,449,255	3,683,191	N/A
Other	0	2,365,265	10,000	N/A
	(1)	(2)	(3)	



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY13 Expenditures of \$5,997,867 were paid from Managed Care and \$13,000 were paid from the Supplemental Pool

(2) FY14 Agency reserves of \$47,960 Health Initiatives Fund and \$2,317,305 Healthy Families Trust Fund due to lower than anticipated revenue and an agency reserve of \$40,088,793 Federal Funds due to the matching rate. In addition, there was a \$6,041,034 supplemental budget increase of GR to offset the decrease in Healthy Families Trust Fund.

(3) FY15 \$6,500,000 supplemental budget increase of Third Party Liability Fund.

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Physician Related

Budget Unit: 90544C, 90576C

HB Section: 11.455, 11.528

Cost Per Eligible - Per Member Per Month (PMPM)

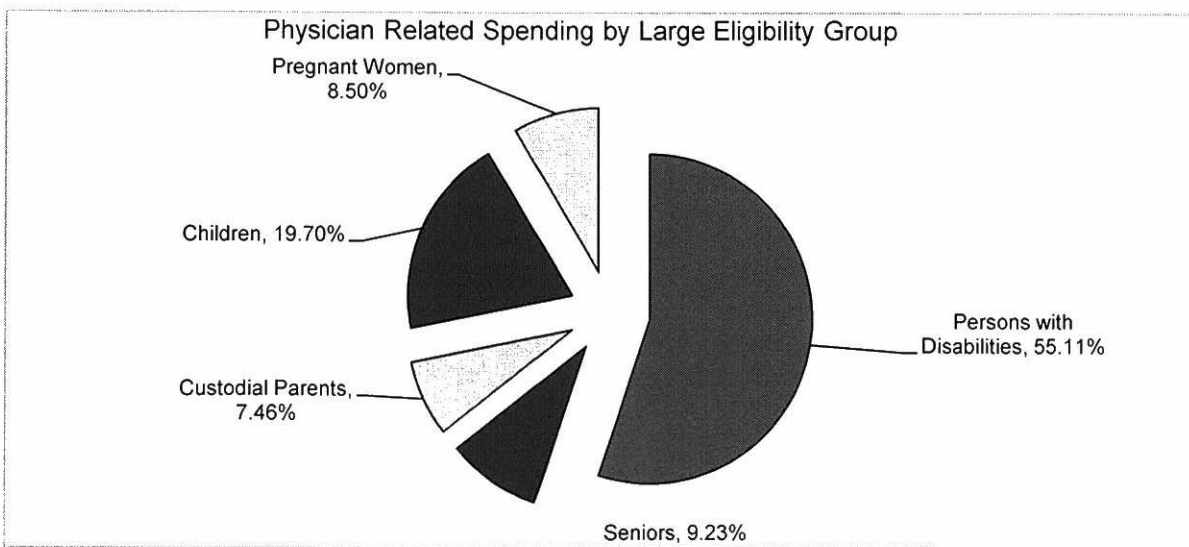
	Physician PMPM	Acute Care PMPM	Total PMPM	Physician Percentage of Acute	Physician Percentage of Total
PTD	\$158.63	\$1,074.20	\$1,961.17	14.77%	8.09%
Seniors	\$55.17	\$368.96	\$1,565.89	14.95%	3.52%
Custodial Parents	\$44.50	\$473.61	\$507.28	9.40%	8.77%
Children*	\$18.04	\$274.18	\$303.51	6.58%	5.94%
Pregnant Women	\$159.86	\$657.06	\$671.28	24.33%	23.81%

Source: Table 23 Medical Statistics for Fiscal Year 2015, Paid Claims Data (includes EPSDT services)

* CHIP eligibles not included

The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MO HealthNet (MHD) management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending. PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.



Source: Table 23 Medical Statistics for Fiscal Year 2015, Paid Claims Data.

The PMPM table reflects the PMPM amounts for physician related services, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient; physician/lab/x-ray; outpatient/clinic; pharmacy; managed care payments; Medicare co-pay/deductibles; dental; and other acute services administered by MHD. It does **not** include nursing facilities, in-home services, mental health services and state institutions. By comparing the physician PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for physician related services. It provides a snapshot of what eligibility groups are receiving physician related services, as well as the populations impacted by program changes.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES PHYSICIAN RELATED PROF

5. CORE RECONCILIATION DETAIL

				Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES										
				EE	0.00	1,705,342	1,915,395	0	3,620,737	
				PD	0.00	84,113,271	247,879,866	18,747,307	350,740,444	
				Total	0.00	85,818,613	249,795,261	18,747,307	354,361,181	
DEPARTMENT CORE ADJUSTMENTS										
Core Reallocation	103	8196	PD		0.00	400,000	0	0	400,000	Core reallocation from Asthma Services
Core Reallocation	103	8197	PD		0.00	0	3,600,000	0	3,600,000	Core reallocation from Asthma Services
Core Reallocation	786	8196	PD		0.00	250,000	0	0	250,000	Reallocation of Foster Children Health Homes to Physician.
Core Reallocation	786	8197	PD		0.00	0	450,000	0	450,000	Reallocation of Foster Children Health Homes to Physician.
NET DEPARTMENT CHANGES					0.00	650,000	4,050,000	0	4,700,000	
DEPARTMENT CORE REQUEST										
				EE	0.00	1,705,342	1,915,395	0	3,620,737	
				PD	0.00	84,763,271	251,929,866	18,747,307	355,440,444	
				Total	0.00	86,468,613	253,845,261	18,747,307	359,061,181	
GOVERNOR'S RECOMMENDED CORE										
				EE	0.00	1,705,342	1,915,395	0	3,620,737	
				PD	0.00	84,763,271	251,929,866	18,747,307	355,440,444	
				Total	0.00	86,468,613	253,845,261	18,747,307	359,061,181	

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90544C BUDGET UNIT NAME: Physician HOUSE BILL SECTION: 11.455	DEPARTMENT: Social Services DIVISION: MO HealthNet
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1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

DEPARTMENT REQUEST

	Core	% Flex Requested	Flex Requested Amount
<i>Total Program Request</i>	\$339,408,411	10%	\$33,940,841
	\$339,408,411	25%	\$84,852,103

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
None.	H.B. 11 language allows for up to 10% flexibility between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.485, 11.490, 11.505, 11.510, 11.550, 11.555, and 11.595 and 25% flexibility for use of this section for managed care.	10% flexibility between sections and 25% flexibility between FFS and Managed Care is being requested for FY 17.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
None.	Flexibility allows DSS to provide continued Medicaid benefits without an interruption in reimbursement to providers or partial payments.

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
PHYSICIAN RELATED PROF								
CORE								
PROFESSIONAL SERVICES	2,028,772	0.00	2,020,739	0.00	2,020,739	0.00	0	0.00
MISCELLANEOUS EXPENSES	1,344,592	0.00	1,599,998	0.00	1,599,998	0.00	0	0.00
TOTAL - EE	3,373,364	0.00	3,620,737	0.00	3,620,737	0.00	0	0.00
PROGRAM DISTRIBUTIONS	671,210,609	0.00	350,740,444	0.00	355,440,444	0.00	0	0.00
TOTAL - PD	671,210,609	0.00	350,740,444	0.00	355,440,444	0.00	0	0.00
GRAND TOTAL	\$674,583,973	0.00	\$354,361,181	0.00	\$359,061,181	0.00	\$0	0.00
GENERAL REVENUE	\$202,613,324	0.00	\$85,818,613	0.00	\$86,468,613	0.00		0.00
FEDERAL FUNDS	\$458,045,346	0.00	\$249,795,261	0.00	\$253,845,261	0.00		0.00
OTHER FUNDS	\$13,925,303	0.00	\$18,747,307	0.00	\$18,747,307	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Sections: 11.455, 11.528

Program Name: Physician Related

Program is found in the following core budget(s): Physician Related

1. What does this program do?

This program provides payment for professional services provided to MO HealthNet participants by physicians, nurse practitioners, clinics, lab and x-ray facilities, nurse midwives, podiatrists, certified registered nurse anesthetists, anesthesiologist assistants, independent diagnostic testing facilities, rural health clinics, federally qualified health centers, psychologists, professional counselors, licensed clinical social workers, health homes, asthma educators and in-home environmental assessors.

A general description of each of the MO HealthNet provider groups in the Physician Related Program is as follows:

Physician

Proper health care is essential to the general health and well-being of MO HealthNet participants. Physicians, including medical doctors and doctors of osteopathy, are typically the front line providers where MO HealthNet participants enter the state's health care system. They provide a myriad of health care services and tie the various parts of the health care system together.

Physician services are diagnostic, therapeutic, rehabilitative or palliative procedures provided by, and under the supervision of, a licensed physician who is practicing within the scope of practice allowed and is enrolled in the MO HealthNet program.

Physicians enrolled in the MO HealthNet program are identified by the specialty of medicine they practice. Specialties include: allergy immunology; anesthesiology; cardiology; dermatology; emergency medicine; family practice; general practice; general surgery; internal medicine; laryngology; nuclear medicine; neurological surgery; obstetrics/gynecology; ophthalmology; otology; otolaryngology; orthopedic surgery; pathology; pediatrics; physical medicine and rehabilitation; plastic surgery; preventive medicine; proctology; psychiatry; neurology; radiation therapy; radiology; rectal and colon surgery; rehabilitative medicine; rhinology; thoracic surgery; and urology.

The services of a physician may be administered in multiple settings including the physician's office, the participant's home (or other place of residence such as a nursing facility), the hospital (inpatient/outpatient) or settings such as a medical clinic or ambulatory surgical care facility.

Services rendered by someone other than a physician, including appropriate supplies, are billable by the physician only where there is direct personal supervision by the physician. This applies to services rendered by auxiliary personnel employed by the physician and working under his/her on-site supervision such as nurses, non-physician anesthetists, technicians, therapists and other aides. Beginning in FY16, physicians assistants may bill independently. Assistant physicians may receive Medicaid reimbursement for applicable services in Missouri once licensed by the Board of Healing Arts.

The majority of services provided by a physician are reimbursed on a fee schedule although a few services are reimbursed manually, whereby each procedure or claim is priced individually by a medical consultant based on the unique circumstances of the case. Certain procedures, such as organ transplants, are only reimbursable with prior approval.

Periodic Screening Diagnosis Treatment /Healthy Children and Youth (EPSDT/HCY) program provides services to MO HealthNet participants who are infants, children, and youth under the age of 21 years with a primary and preventive care focus. Full, partial, and interperiodic health screenings; medical and dental examinations; immunizations; and medically necessary treatment services are covered. The goal of the MO HealthNet program is for each child to be healthy. This is achieved by the primary care provider who manages a coordinated, comprehensive, continuous health care program to address the child's primary health care needs. The program provides early and periodic medical or dental screening, diagnosis, and treatment to correct or improve defects and chronic conditions found during the screening.

PROGRAM DESCRIPTION

Department: Social Services

HB Sections: 11.455, 11.528

Program Name: Physician Related

Program is found in the following core budget(s): Physician Related

Clinic

Clinics offer preventive, diagnostic, therapeutic, rehabilitative or palliative services that are furnished by a facility that are not part of a hospital but are organized and operated to provide medical care to outpatients. Services furnished to outpatients include those furnished at the clinic by, or under the direction of, a physician and those services furnished outside the clinic by clinic personnel under the direction of a physician.

MO HealthNet reimbursement is made solely to the clinic. All health care professionals are employed by the clinic. Each provider offering health care services through the clinic, in addition to being employed by the participating clinic, must be a MO HealthNet provider. Health care providers at a clinic can include physicians, nurse practitioners, radiologists and other health professionals whose services are offered at the clinic. Clinics differ from RHCs and FQHCs in the type of services they provide and the reimbursement methodology.

Lab & X-Ray

Laboratory and x-ray facilities provide examination and radiology services under the physician program. Laboratories perform examinations of body fluids, tissues or organs by the use of various methods employing specialized equipment such as electron microscopes and radio-immunoassay. A clinical laboratory is a laboratory where microbiological, serological, chemical, hematological, radio bioassay, cytological, immunohematological or pathological examinations are performed on material derived from the human body to provide information for the diagnosis, prevention or treatment of a disease or assessment of a medical condition. Operations of a laboratory are generally directed by a pathologist.

X-ray facilities offer radiological services in which x-rays or rays from radioactive substances are used for diagnostic or therapeutic purposes. Such services include, but are not limited to, radium therapy; ~~the use of~~ radioisotopes for diagnostic or therapeutic purposes (e.g., in nuclear medicine); diagnostic tests such as aortograms, pyelograms, myelograms, arteriograms and ventriculograms; imaging services; x-rays; and diagnostic ultra-sounds. These operations are generally directed by a radiologist.

Both laboratories and x-ray clinics are reimbursed on a fee schedule. Certain x-ray services are subject to prior approval.

Nurse Midwife

Nurse midwife services are those services related to the management and provision of care to a pregnant woman and her unborn/newborn infant by a certified nurse midwife. These services may be provided throughout the maternity cycle which includes pregnancy, labor and delivery and the initial postpartum period not to exceed six weeks. Covered services include antepartum care, delivery, post-partum care, newborn care, office visits, laboratory services and other services within the scope of practice of a nurse midwife. If there is any indication the maternity care is not for a normal uncomplicated delivery, the nurse midwife must refer the case to a physician.

Nurse midwives may also provide care outside of the maternity cycle such as family planning, counseling, birth control techniques and well-woman gynecological care including routine pap smears and breast examinations (Section 13605, OBRA 93). Nurse midwife services may also include services to the newborn, age 0 through 2 months, and any other MO HealthNet eligible female, age 15 and over.

Services furnished by a nurse midwife must be within the scope of practice authorized by federal and state laws or regulations and, in the case of inpatient or outpatient hospital services or clinic services, furnished by or under the direction of a nurse midwife only to the extent permitted by the facility.

PROGRAM DESCRIPTION

Department: Social Services

HB Sections: 11.455, 11.528

Program Name: Physician Related

Program is found in the following core budget(s): Physician Related

In order to qualify for participation in the MO HealthNet Nurse Midwife program, in addition to provisions required of all MO HealthNet providers, the applicant must hold a valid current license as an advanced practice nurse (APRN) in the state of Missouri and be currently certified as a nurse midwife by the American College of Nurse Midwives.

The services of a nurse midwife may be administered in a variety of settings including the provider's office, a hospital (inpatient or outpatient), the home of the participant (delivery and newborn care only) or a birthing center. Reimbursement for nurse midwife services is made on a fee-for-service basis and must be reasonable and consistent with efficiency, economy and quality of care as determined by MO HealthNet. MO HealthNet payment is the lower of the provider's actual billed charge, based on his/her usual and customary charge to the general public for the service, or the MO HealthNet maximum allowable amount per unit of service. The level of reimbursement to the nurse midwife is the same as that reimbursed to a physician for the same procedure.

Podiatry

Podiatrists provide medical, surgical and mechanical services for the foot or any area not above the ankle joint and receive MO HealthNet reimbursement for diagnostic, therapeutic, rehabilitative and palliative services which are within the scope of practice the podiatrist is authorized to perform. Most services provided by a podiatrist are reimbursed on a fee schedule although a few services are reimbursed manually, whereby each procedure or claim is priced individually by a medical consultant based on the unique circumstances of the case.

The following podiatry services are not covered for adults (except individuals under a category of assistance for pregnant women or the blind or nursing facility residents): trimming of nondystrophic nails; debridement of one to five nails by any method; debridement of six or more nails by any method; partial or complete excision of the nail and nail matrix; and strapping of the ankle and/or foot.

The services of a podiatrist may be administered in the podiatrist's office, the participant's home (or other place of residence such as a nursing facility), a hospital (inpatient/outpatient), a medical clinic or ambulatory surgical care facility.

Certified Registered Nurse Anesthetist

CRNA services are those services related to the introduction and management of a substance into the body by external or internal means that causes loss of sensation with or without loss of consciousness. In order to qualify for participation in the MO HealthNet Certified Registered Nurse Anesthetist program, in addition to provisions required of all MO HealthNet providers, the applicant must hold a valid current license as an advanced practice nurse (RN) or nurse practitioner in the state of Missouri and be currently certified as a CRNA by the Council on Certification of Nurse Anesthetists.

Reimbursement for CRNA services are made on a fee-for-service basis. The services of a CRNA may be administered in the provider's office, a hospital, nursing home or clinic and include the same scope of practice as that of an anesthesiologist. CRNAs are often employed by physicians (anesthesiologists), but are not required to be employed by a physician.

Anesthesiologist Assistants (AA)

PROGRAM DESCRIPTION

Department: Social Services

HB Sections: 11.455, 11.528

Program Name: Physician Related

Program is found in the following core budget(s): Physician Related

An AA is a person who works under the supervision of a licensed anesthesiologist and provides anesthesia services and related care. An AA shall practice only under the direct supervision of an anesthesiologist who is physically present or immediately available. A supervising anesthesiologist shall be allowed to supervise up to four AAs concurrently, consistent with 42 CFR 415.110. The name and mailing address of the supervising anesthesiologist must be submitted by an AA. An AA must be licensed by the Missouri Board of Healing Arts as set forth in 20 CSR 2150-9 and submit a copy to the MO HealthNet Division. An AA must practice within their scope of practice referenced in Section 334.402, RSMo. Reimbursement for AA services is made on a fee-for-service basis. An AA and a Certified Registered Nurse Anesthetist (CRNA) are not allowed to bill for the same anesthesia service.

Independent Diagnostic Testing Facility (IDTF)

These providers are independent of a hospital or a physician's office and offer medically necessary diagnostic tests. The IDTF may be a fixed location or a mobile entity. An IDTF must have one or more supervising physicians who are responsible for the direct and ongoing oversight of the quality of the testing performed, the proper operation and calibration of the equipment used to perform tests, and the qualification of non-physician personnel who use the equipment.

Rural Health Clinics (RHC)

The Rural Health Clinic Services Act of 1977 designated rural health clinics as health care providers. The Act became effective for MO HealthNet reimbursement on July 1, 1978. The Rural Health Clinic Services Act of 1977 extended benefits to cover health care services to under-served rural areas where access to traditional physician care had been difficult. In those areas, specifically trained practitioners furnish the health care services needed by the community.

Rural health clinics must be located in a rural area that is designated a shortage area for primary care. To be eligible for this designation, a clinic must be located in an area not identified as "urbanized" by the Bureau of the Census and designated as a shortage or under-served area by one of the following definitions:

- An area with a shortage of personal health services under Section 30(b)(3) or 330(b)(3) of the Public Health Service Act (PHS);
- A Health Professional Shortage Area (HPSA) designated under Section 332(a)(1)(A) of the PHS Act;
- An area which includes a population group designated as having a health professional shortage under Section 332(a)(1)(B) of the PHS Act; or
- An area designated by the chief executive officer (Governor) of the State and certified by the Secretary of Health and Human Services as an area with a shortage of personal health services.

In addition to the above criteria, RHCs must meet the additional staffing and health and safety requirements set forth by the Rural Health Clinic Services Act. To be a MO HealthNet RHC, a clinic must be certified by the Public Health Service, be certified for participation in Medicare, and be enrolled as a MO HealthNet provider. The RHC is then designated as either an independent or a provider-based RHC.

In order to be designated a provider-based RHC, the RHC must be an integral and subordinate part of a hospital, skilled nursing facility or home health agency. The provider-based RHC must also be under common licensure, governance and professional supervision with its parent provider. Hospital-based RHCs are reimbursed the lower of 100% of their usual and customary charges or their cost-to-charge ratio. The RHCs that are based in skilled nursing facilities and home health agencies are reimbursed their usual and customary charges multiplied by the lower of the Medicare RHC rate or the rate approved by the MO HealthNet Division.

An independent RHC has no financial, organizational or administrative connection to a hospital, skilled nursing facility or home health agency. They are reimbursed a fee that is calculated either by dividing the lesser of their reasonable costs by their total number of encounters, or by multiplying the Medicare upper- payment limit by the number of MO HealthNet encounters. An annual audit of the Medicare cost report is reviewed by the Institutional Reimbursement Unit (IRU) within the MO HealthNet Division.

PROGRAM DESCRIPTION

Department: Social Services

HB Sections: 11.455, 11.528

Program Name: Physician Related

Program is found in the following core budget(s): Physician Related

Nurse Practitioner

A nurse practitioner, or advanced practice nurse, is one who has had education beyond the basic nursing education and is certified by a nationally recognized professional organization as having a nursing specialty, or who meets criteria for advanced practice nurses established by the Missouri Board of Nursing. The Board of Nursing may promulgate rules specifying which professional nursing organization certifications are to be recognized as advanced practice nurses and may set standards for education, training and experience required for those without such specialty certification to become advanced practice nurses.

Numerous nurse practitioner specialties are recognized such as family, gerontology, clinical, obstetrics/GYN, neonatal, mental health, and certified registered nurse anesthetists. Reimbursement for nurse practitioner services are made on a fee-for-service basis. The level of reimbursement to the nurse practitioner is the same as that reimbursed to a physician for the same procedure. Nurse practitioners, or advanced practical nurses, may prescribe medications only through a collaborative agreement with a physician.

Nurse practitioner services involve the performance for compensation of any act which requires substantial specialized education, judgment, and skill based on knowledge and application of principles derived from the biological, physical, social and nursing sciences, including: a) responsibility for the teaching of health care and the prevention of illness to the patient and his/her family; b) assessment, nursing diagnosis, nursing care, and counsel of persons who are ill, injured or experiencing alterations in normal health processes; c) administration of medications and treatments as prescribed by a person licensed in this state to prescribe such medications and treatments; and d) coordination and assistance in the delivery of a plan of health care with all members of the health team.

The services of a nurse practitioner may be administered in a variety of settings including the provider's office, a hospital, nursing home or clinic. Nurse practitioners are generally employed by physicians, but are not required to be employed by physicians.

Federally Qualified Health Clinic (FQHC)

The FQHC program was established by the Omnibus Budget Reconciliation Acts of 1989 (OBRA 89) and 1990 (OBRA 90). These laws designated certain community-based health care organizations as unique health care providers called Federally Qualified Health Centers. These laws establish a set of FQHC health care services that MO HealthNet and Medicare must cover for those beneficiaries who receive services from the FQHC and require the reimbursement of reasonable cost to the FQHC for such services.

By passing the FQHC legislation, Congress recognized the following two goals of the FQHC program:

- To provide adequate reimbursement to community-based primary health care organizations (FQHCs) so that they, in turn, may better serve a large number of MO HealthNet participants and/or provide more services, thus improving access to primary care.
- To enable FQHCs to use other resources previously subsidizing MO HealthNet to serve uninsured individuals who, although not eligible for MO HealthNet, have a difficult time obtaining primary care because of economic or geographic barriers.
- In order to qualify for FQHC status, a facility must receive or be eligible for a grant under Section 329, 330 or 340 of the Public Health Service Act, meet the requirements for receiving such a grant, or have been a Federally Funded Health Center as of January 1, 1990.
- FQHC services are initially reimbursed at 97% of the billed MO HealthNet FQHC covered charges. An annual audit of the MO HealthNet cost report is performed by the Institutional Reimbursement Unit (IRU) to determine reasonable costs. A settlement is made to adjust the reimbursement to 100% of the reasonable costs to provide MO HealthNet FQHC covered services.

PROGRAM DESCRIPTION

Department: Social Services

HB Sections: 11.455, 11.528

Program Name: Physician Related

Program is found in the following core budget(s): Physician Related

Health Homes

Section 2703 of the ACA gives MO HealthNet the option to pay providers to coordinate care through a "health home" for individuals with chronic conditions. A health home is a "designated provider" or a health team that provides health home services to an individual with a chronic condition. A "designated provider" can be a physician, clinical practice or clinical group practice, rural clinic, community health center, home health agency, or any other entity or provider that is determined by MO HealthNet and approved by the Secretary of Health and Human Services to be a qualified health home. A team of health care professionals acting as a health home may include physicians and other professionals such as a nurse care coordinator, nutritionist or social worker. Health homes may be freestanding, virtual, or based at a hospital or other facility. Health home services include comprehensive care management, care coordination and health promotion, comprehensive transitional care from inpatient to other settings, patient and family support, and referral to community and social support services. Health homes are required to use "health information technology" to link services. Individuals who are eligible for health home services must have at least two chronic conditions or one chronic condition and the risk of having a second. Funding appropriated in FY 2016 for a medical and behavioral health home pilot project for foster children in the St. Louis region is reallocated to the Physician line for FY 2017.

Payment is made for start-up costs and lost productivity due to collaboration demands on staff not covered by other streams of payment. In addition, clinical care management per member per month (PMPM) payments will be made for the reimbursement of the cost of staff primarily responsible for delivery of services not covered by other reimbursement (Primary Care Nurses) whose duties are not otherwise reimbursable by MO HealthNet. Also, payment is made to practices for the value of the reduction in total health care PMPM cost, including the payments mentioned above, for the practice site's attributed MO HealthNet patients, relative to prior year experience.

Psychologists, Professional Counselors, and Licensed Clinical Social Workers

Medically necessary mental health services are available to MO HealthNet eligible children under the age of 21. Those services can be provided by psychologists, professional counselors and licensed clinical social workers. An adult may receive mental health services from a psychologist or from a licensed clinical social worker only if they are a member of a FQHC or RHC. Services provided by licensed professional counselors to adults in any setting are not reimbursable.

Psychologists and provisionally licensed psychologists provide testing and assessment, individual, family and group therapy and crisis intervention services to children and adults.

Licensed clinical social workers, provisionally licensed clinical social workers, licensed professional counselors, and provisionally licensed professional counselors provide assessment, individual, family and group therapy and crisis intervention services to children. Licensed clinical social workers and provisionally licensed clinical social workers may also provide these services to adults in the FQHC or RHC setting.

Asthma Educators and In-home Environmental Assessors -

Authority was added in FY15 to include these provider types. Pediatric MO HealthNet participants with a primary diagnosis of asthma who meet specific criteria indicating uncontrolled asthma may receive up to two asthma education services and two in-home environmental assessments per year.

PROGRAM DESCRIPTION

Department: Social Services

HB Sections: 11.455, 11.528

Program Name: Physician Related

Program is found in the following core budget(s): Physician Related

A copayment, a portion of the providers' charges paid by the participant, is required on many physician services. Some participants or services are exempt from copay, including the following:

- participants under age 19;
- participants residing in a skilled nursing home, an intermediate care nursing home, a residential care home, an adult boarding home or a psychiatric hospital;
- participants who have both Medicare and Medicaid if Medicare covers the service and provides payment;
- participants who receive a transfer inpatient hospital admission;
- emergency services provided in an outpatient clinic or emergency room after the sudden onset of a medical condition if the absence of treatment could be expected to result in placing the patient's health in serious jeopardy, serious impairment to bodily functions or serious dysfunction of any bodily organ or part;
- certain therapy services, except when provided as an inpatient hospital service;
- services provided to pregnant women, blind recipients, managed care enrollees and foster care recipients;
- services identified as medically necessary through an Early Periodic Screening, Diagnostic and Treatment (EPSDT) screen;
- mental health services provided by community mental health facilities operated by the Department of Mental Health;
- family planning services;
- hospice services; and
- some personal care services.

The copayment for clinic visits is \$0.50, the copayment for physician and nurse practitioners is \$1.00, and the copayment for FQHCs and RHCs is \$2.00. The copayment for podiatry is based on the lesser of the provider's usual charge for the service or the maximum allowable amount. For podiatry services, the copayment is \$0.50 for charges of \$10.00 or less, \$1.00 for \$10.01 to \$25.00, \$2.00 for \$25.01 to \$50.00, and \$3.00 for charges of \$50.01 or more.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.153, 208.166; Federal law: Social Security Act Sections 1905(a)(2), (3), (5), (6), (9), (17), (21); 1905(r) and 1915(d);

Federal regulations: 42 CFR 440.210, 440.500, 412.113(c) and 441 Subpart B.

3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY16 is a blended 63.323% federal match. The state matching requirement is 36.677%.

4. Is this a federally mandated program? If yes, please explain.

Yes, if the state elects to have a Medicaid program. (Some services are optional: podiatry; clinics; nurse practitioners; CRNA and certified nurse anesthetist.)

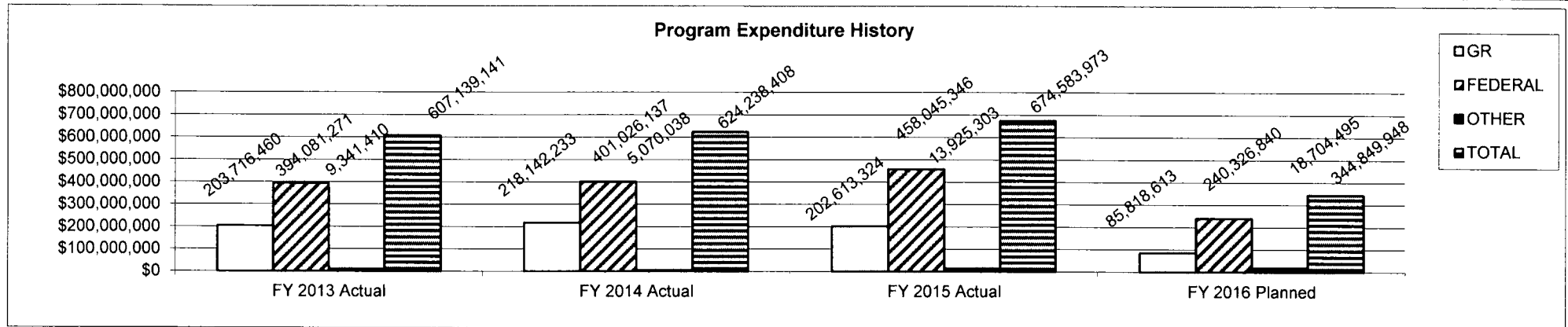
PROGRAM DESCRIPTION

Department: Social Services
Program Name: Physician Related

HB Sections: 11.455, 11.528

Program is found in the following core budget(s): Physician Related

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY 2016 planned is net of reverted and reserved.

6. What are the sources of the "Other " funds?

Health Initiatives Fund (0275), Healthy Families Trust Fund (0625), Pharmacy Reimbursement Allowance (0144), and starting in FY16, Tax Amnesty Fund (0470).

7a. Provide an effectiveness measure.

Maintain or increase the ratio of participants who receive EPSDT screenings.

The Healthy Children and Youth (HCY) Program in Missouri is a comprehensive, primary and preventive health care program for MO HealthNet eligible children and youth under the age of 21 years. The program is also known as Early Periodic Screening, Diagnosis and Treatment (EPSDT). The HCY Program provides early and periodic medical/dental screenings, diagnosis and treatment to correct or ameliorate defects and chronic conditions found during the screening.

EPSDT Participant Ratio

*Federal Fiscal Year	Participants who should have received a screening	Participants who received at least one screening	Participant Ratio
2012	429,478	320,844	75%
2013	409,698	304,131	74%
2014	395,881	278,040	70%
**2015	395,881	278,040	70%
**2016	395,881	278,040	70%
**2017	395,881	278,040	70%

*Based on federal fiscal year in which report was submitted to CMS.

**Projected

PROGRAM DESCRIPTION

Department: Social Services

HB Sections: 11.455, 11.528

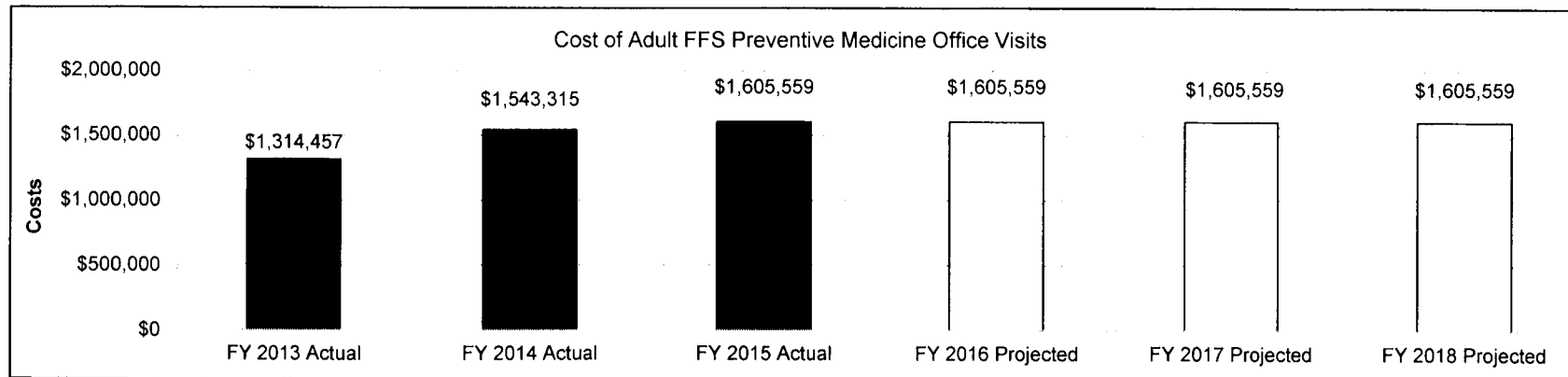
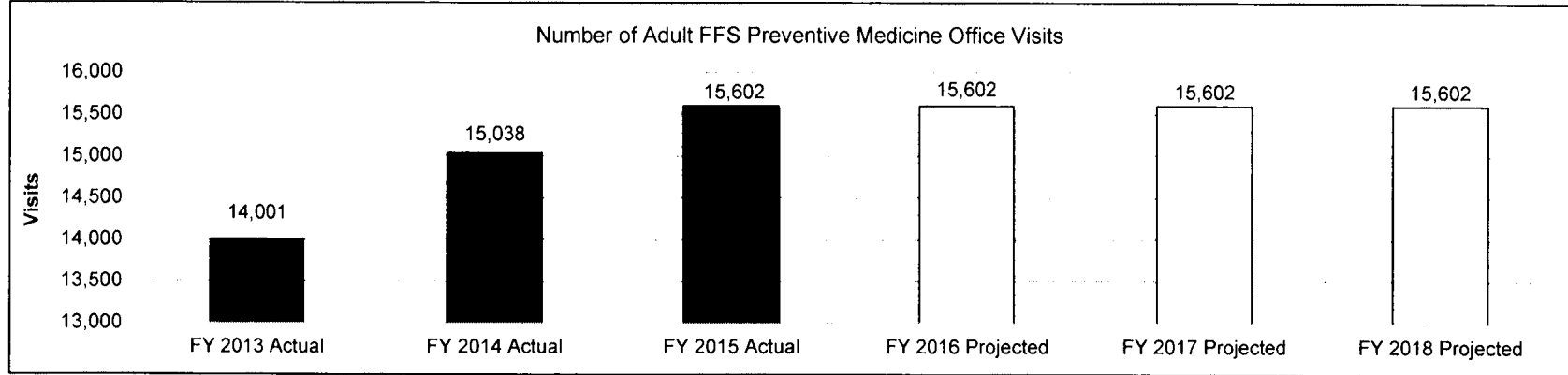
Program Name: Physician Related

Program is found in the following core budget(s): Physician Related

7b. Provide an efficiency measure.

Increase the number of adult preventive office visits.

MO HealthNet pays for one "preventive" examination/physical. Preventive visits are important for routine evaluation and management of adults for the maintenance of good health and a reduction in risk factors that could lead to more expensive health care costs.



PROGRAM DESCRIPTION

Department: Social Services

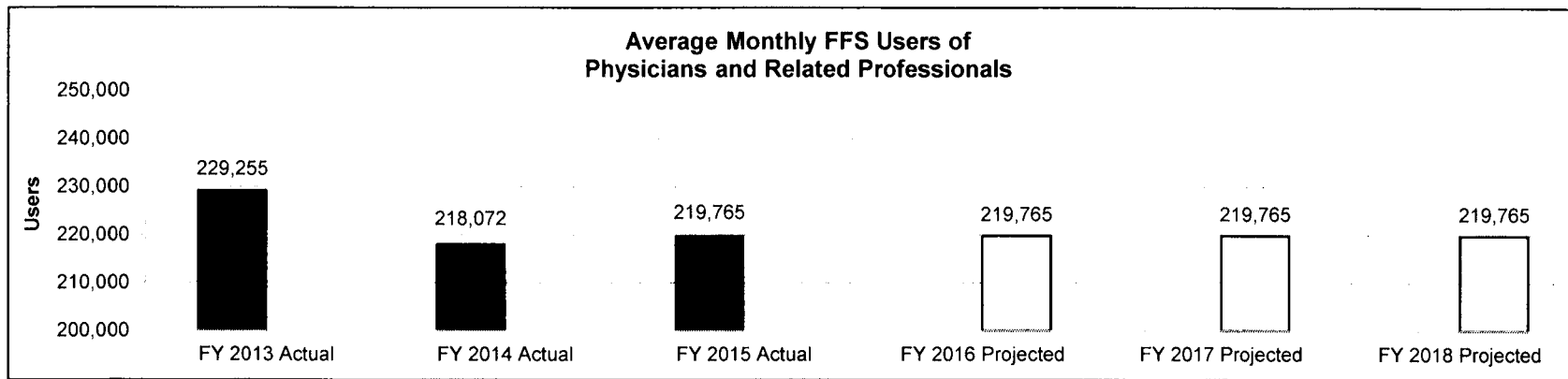
HB Sections: 11.455, 11.528

Program Name: Physician Related

Program is found in the following core budget(s): Physician Related

7c. Provide the number of clients/individuals served, if applicable.

Proper health care is essential to the general health and well-being of MO HealthNet participants. Physician related services are typically the front line where MO HealthNet participants enter the state's health care system. Services are provided by physicians, psychologists, nurse practitioners, podiatrists, clinics, and x-ray and lab facilities.



7d. Provide a customer satisfaction measure, if available.

N/A

NEW DECISION ITEM
RANK: 23 OF 29

Department: Social Services
Division: MO HealthNet
DI Name Applied Behavioral Analysis for ASD EPSDT

Budget Unit: 90544C
DI# 1886013

1. AMOUNT OF REQUEST

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS	0	0	0	0
EE	0	0	0	0
PSD	4,426,654	7,642,638	0	12,069,292
TRF	0	0	0	0
Total	4,426,654	7,642,638	0	12,069,292
FTE	0.00	0.00	0.00	0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS	0	0	0	0
EE	0	0	0	0
PSD	0	0	0	0
TRF	0	0	0	0
Total	0	0	0	0
FTE	0.00	0.00	0.00	0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds

2. THIS REQUEST CAN BE CATEGORIZED AS:

<input checked="" type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input checked="" type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/> Other:	

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funding is needed to provide medically necessary services for the treatment of Autism Spectrum Disorder. Guidance issued by the Center for Medicare and Medicaid Services (CMS) in early July 2014 requires states, effective immediately, to provide medically necessary services for Autism Spectrum Disorder (ASD) under Medicaid's EPSDT benefit for enrolled children aged 0 to 21. This guidance was issued, in part, to respond to various legal challenges faced by states which resulted in court-ordered service provisions.

MO HealthNet requests funding to cover services for individuals with Autism Spectrum Disorder under section 1905(a)(4)(B) of the Social Security Act, the Early and Periodic Screening, Diagnostic and Treatment (EPSDT) benefit.

RANK: 23 NEW DECISION ITEM OF 29

Department: Social Services
 Division: MO HealthNet
 DI Name Applied Behavioral Analysis for ASD EPSDT

Budget Unit: 90544C
 DI# 1886013

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number

Guidance issued by the Center for Medicare and Medicaid Services (CMS) July 7, 2014 requires states, effective immediately, to provide medically necessary services

Applied Behavioral Analysis for Autism Spectrum Disorder - EPSDT

Cost Per Participant Per Year

Service Description	MHD-Annual Cost Per
Diagnostic Evaluation	\$ 420
Functional Behavioral Assessment	\$ 593
Behavioral Treatment	
atment by Technician \$ 15,840	
ment by Professional \$ 10,240	
Behavioral Treatment Total	\$ 26,080
Total Cost Per Participant Per Year	\$ 27,093
Cost Per Participant Per Year	\$ 27,093
Estimated Number of Eligibles FY 16	444
Total Annual Cost of Services	\$ 12,029,292
ABA Consultant Cost	40,000
Total Annual Cost	\$ 12,069,292
Physician Appropriation	
GR	\$ 4,426,654
Federal	\$ 7,642,638

NEW DECISION ITEM
RANK: 23 OF 29

Department: Social Services
Division: MO HealthNet
DI Name Applied Behavioral Analysis for ASD EPSDT

Budget Unit: 90544C
DI# 1886013

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	4,426,654		7,642,638				12,069,292		
Total PSD	4,426,654		7,642,638		0		12,069,292		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	4,426,654	0.0	7,642,638	0.0	0	0.0	12,069,292	0.0	0
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	0		0				0		
Total PSD	0		0		0		0		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0

NEW DECISION ITEM
RANK: 23 OF 29

Department: Social Services
Division: MO HealthNet
DI Name Applied Behavioral Analysis for ASD EPSDT

Budget Unit: 90544C
DI# 1886013

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

N/A

6b. Provide an efficiency measure.

N/A

6c. Provide the number of clients/individuals served, if applicable.

N/A

6d. Provide a customer satisfaction measure, if available.

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
PHYSICIAN RELATED PROF								
ABA for Children with Autism - 1886013								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	12,069,292	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	12,069,292	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$12,069,292	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$4,426,654	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$7,642,638	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

Primary Care Practice Pilot

DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN	
PRIMARY CARE PRACTICE PILOT									
CORE									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	100,000	0.00	0	0.00	0	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	300,000	0.00	0	0.00	0	0.00	
TOTAL - PD	0	0.00	400,000	0.00	0	0.00	0	0.00	
TOTAL	0	0.00	400,000	0.00	0	0.00	0	0.00	
GRAND TOTAL	\$0	0.00	\$400,000	0.00	\$0	0.00	\$0	0.00	

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CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Primary Care Practice Pilot

Budget Unit: 90851C
HB Section: 11.456

1. CORE FINANCIAL SUMMARY

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

This core request is to provide funding for a Primary Care Practice Pilot.

3. PROGRAM LISTING (list programs included in this core funding)

Primary Care Practice Pilot.

CORE DECISION ITEM

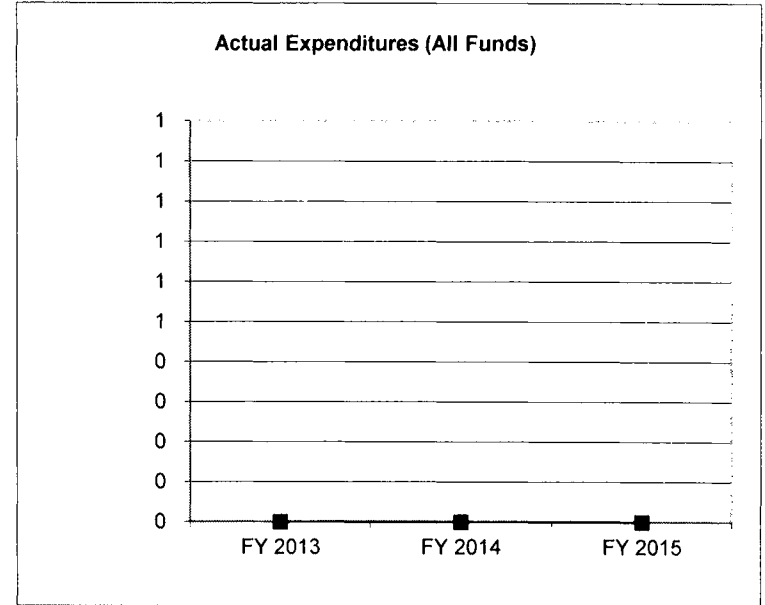
Department: Social Services
Division: MO HealthNet
Core: Primary Care Practice Pilot

Budget Unit: 90851C

HB Section: 11.456

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	0	0	0	400,000
Less Reverted (All Funds)	0	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	0	0	N/A
Actual Expenditures (All Funds)	0	0	0	N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0			N/A



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

Program began in FY16

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES PRIMARY CARE PRACTICE PILOT

5. CORE RECONCILIATION DETAIL

				Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES				PD	0.00	100,000	300,000	0	400,000	
Total					0.00	100,000	300,000	0	400,000	
DEPARTMENT CORE ADJUSTMENTS										
Core Reduction	101	9399	PD	0.00		0	(300,000)	0	(300,000)	Reduction of program
Core Reduction	101	9397	PD	0.00		(100,000)	0	0	(100,000)	Reduction of program
NET DEPARTMENT CHANGES					0.00	(100,000)	(300,000)	0	(400,000)	
DEPARTMENT CORE REQUEST										
				PD	0.00	0	0	0	0	
Total					0.00	0	0	0	0	
GOVERNOR'S RECOMMENDED CORE										
				PD	0.00	0	0	0	0	
Total					0.00	0	0	0	0	

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
PRIMARY CARE PRACTICE PILOT								
CORE								
PROGRAM DISTRIBUTIONS	0	0.00	400,000	0.00	0	0.00	0	0.00
TOTAL - PD	0	0.00	400,000	0.00	0	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$400,000	0.00	\$0	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$100,000	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$300,000	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.456

Program Name: Primary Care Practice Pilot

Program is found in the following core budget(s): Primary Care Practice Pilot

1. What does this program do?

The Primary Care Practic Pilot program is designed to teach primary care practices how to provide coordination of care.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

N/A

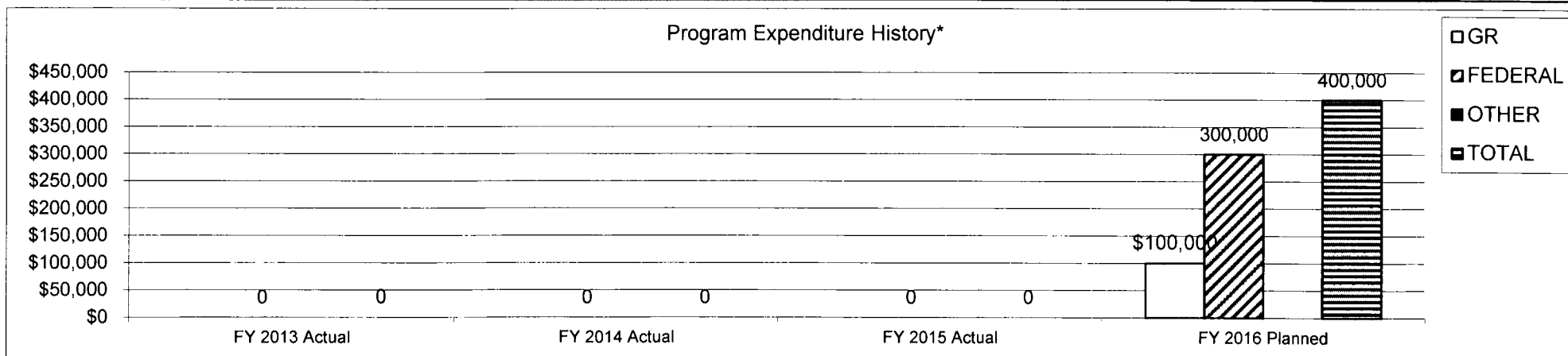
3. Are there federal matching requirements? If yes, please explain.

Yes. States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY16 is a blended 63.323% federal match. The state matching requirement is 36.677%.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



Program started in FY16.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.456

Program Name: Primary Care Practice Pilot

Program is found in the following core budget(s): Primary Care Practice Pilot

6. What are the sources of the "Other" funds?

N/A

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A

Dental

DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
DENTAL								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	4,966	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	4,966	0.00	0	0.00	0	0.00	0	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	5,091,981	0.00	837,204	0.00	837,204	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	9,447,733	0.00	8,637,115	0.00	8,637,115	0.00	0	0.00
HEALTH INITIATIVES	69,027	0.00	71,162	0.00	71,162	0.00	0	0.00
TAX AMNESTY FUND	0	0.00	3,332,529	0.00	3,332,529	0.00	0	0.00
HEALTHY FAMILIES TRUST	848,773	0.00	848,773	0.00	848,773	0.00	0	0.00
TOTAL - PD	15,457,514	0.00	13,726,783	0.00	13,726,783	0.00	0	0.00
TOTAL	15,462,480	0.00	13,726,783	0.00	13,726,783	0.00	0	0.00
MHD FY17 Cost to Continue - 1886001								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	252,718	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	252,718	0.00	0	0.00
TOTAL	0	0.00	0	0.00	252,718	0.00	0	0.00
ABLE Accounts - 1886039								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	2,773	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	7,253	0.00	0	0.00
FEDERAL REIMBURSEMENT ALLOWANCE	0	0.00	0	0.00	1,428	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	11,454	0.00	0	0.00
TOTAL	0	0.00	0	0.00	11,454	0.00	0	0.00
GRAND TOTAL	\$15,462,480	0.00	\$13,726,783	0.00	\$13,990,955	0.00	\$0	0.00

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CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Dental

Budget Unit: 90546C
HB Section: 11.460

1. CORE FINANCIAL SUMMARY

	FY 2017 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	837,204	8,637,115	4,252,464	13,726,783
TRF				
Total	837,204	8,637,115	4,252,464	13,726,783

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

	FY 2017 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total	0	0	0	0

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Health Initiatives Fund (HIF) (0275)
Healthy Families Trust Fund (0625)
Tax Amnesty Fund (0470)

2. CORE DESCRIPTION

This core request is for the continued funding of the dental fee-for-service program. Funding provides dental services for children, pregnant women, the blind, and nursing facility residents (including ICF/IID).

3. PROGRAM LISTING (list programs included in this core funding)

Dental Services

CORE DECISION ITEM

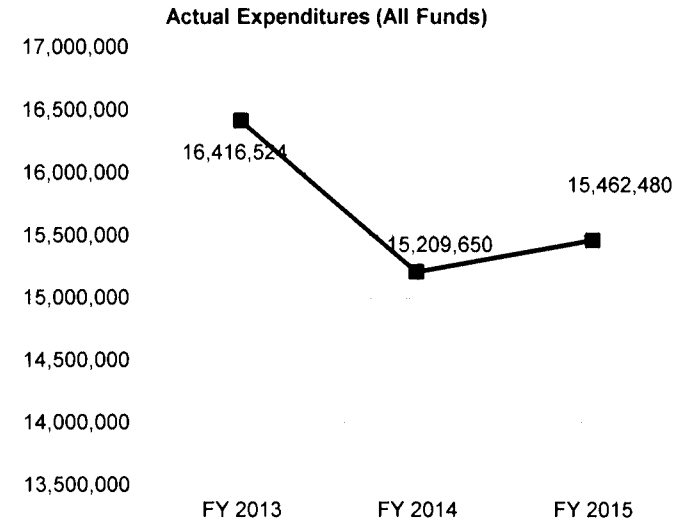
Department: Social Services
Division: MO HealthNet
Core: Dental

Budget Unit: 90546C

HB Section: 11.460

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	20,313,841	18,363,160	66,100,009	66,100,009
Less Reverted (All Funds)	(2,135)	(17,135)	(2,135)	N/A
Less Restricted (All Funds)	0	0	(48,231,947)	N/A
Budget Authority (All Funds)	20,311,706	18,346,025	17,865,927	N/A
Actual Expenditures (All Funds)	16,416,524	15,209,650	15,462,480	N/A
Unexpended (All Funds)	3,895,182	3,136,375	2,403,447	N/A
Unexpended, by Fund:				
General Revenue	0	1,098,464	17,300,000	N/A
Federal	3,895,182	1,653,437	30,431,947	N/A
Other	0	384,474	0	N/A
	(1)	(2)		



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY14 Rural Dental Clinics Pilot \$485,000 GR and \$750,000 Federal project did not begin due to timeliness of funds being released. Agency reserves of an additional \$168,087 Federal due to match rate and \$384,474 Healthy Families Trust Fund due to lower revenue than anticipated and was offset with a GR supplemental for \$384,474.

(2) FY15 \$17,300,000 GR and corresponding federal match of \$30,431,947 for adult dental benefits restricted.

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Dental

Budget Unit: 90546C

HB Section: 11.460

Cost Per Eligible - Per Member Per Month (PMPM)

	Dental PMPM*	Acute Care PMPM	Total PMPM	Dental Percentage of Acute	Dental Percentage of Total
PTD	\$1.71	\$1,074.20	\$1,961.17	0.16%	0.09%
Seniors	\$1.45	\$368.96	\$1,565.89	0.39%	0.09%
Custodial Parents	\$0.27	\$473.61	\$507.28	0.06%	0.05%
Children*	\$1.46	\$274.18	\$303.51	0.53%	0.48%
Pregnant Women	\$2.59	\$657.06	\$671.28	0.39%	0.39%

Source: Table 23 Medical Statistics for Fiscal Year 2015 (Paid Claims Data)

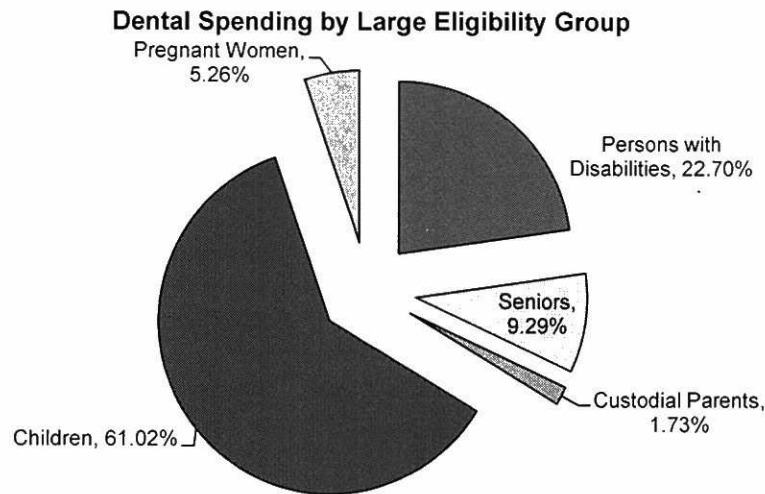
* CHIP eligibles not included

The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MHD management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending. PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for dental care, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, drugs, managed care payments, Medicare co-pay/deductibles, dental and other acute services administered by MHD. It does **not** include nursing facilities, in-home services, mental health services and state institutions. By comparing the dental PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for dental services. It provides a snapshot of what eligibility groups are receiving the services, as well as the populations impacted by program changes.



Source: Table 23 Medical Statistics for Fiscal Year 2015 (Paid Claims Data)

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES
DENTAL

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	837,204	8,637,115	4,252,464	13,726,783	
	Total	0.00	837,204	8,637,115	4,252,464	13,726,783	
DEPARTMENT CORE REQUEST							
	PD	0.00	837,204	8,637,115	4,252,464	13,726,783	
	Total	0.00	837,204	8,637,115	4,252,464	13,726,783	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	837,204	8,637,115	4,252,464	13,726,783	
	Total	0.00	837,204	8,637,115	4,252,464	13,726,783	

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90546C BUDGET UNIT NAME: Dental HOUSE BILL SECTION: 11.460	DEPARTMENT: Social Services DIVISION: MO HealthNet
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1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

DEPARTMENT REQUEST

	Core	% Flex Requested	Flex Requested Amount
<i>Total Program Request</i>	\$13,467,495	10%	\$1,346,750
	\$13,467,495	25%	\$3,366,874

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
None.	H.B. 11 language allows for up to 10% flexibility between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.485, 11.490, 11.505, 11.510, 11.550, 11.555, and 11.595 and 25% flexibility for use of this section for managed care.	10% flexibility between sections and 25% flexibility between FFS and Managed Care is being requested for FY 17.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
None.	Flexibility allows DSS to provide continued Medicaid benefits without an interruption in reimbursement to providers or partial payments.

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
DENTAL								
CORE								
MISCELLANEOUS EXPENSES	4,966	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	4,966	0.00	0	0.00	0	0.00	0	0.00
PROGRAM DISTRIBUTIONS	15,457,514	0.00	13,726,783	0.00	13,726,783	0.00	0	0.00
TOTAL - PD	15,457,514	0.00	13,726,783	0.00	13,726,783	0.00	0	0.00
GRAND TOTAL	\$15,462,480	0.00	\$13,726,783	0.00	\$13,726,783	0.00	\$0	0.00
GENERAL REVENUE	\$5,096,947	0.00	\$837,204	0.00	\$837,204	0.00		0.00
FEDERAL FUNDS	\$9,447,733	0.00	\$8,637,115	0.00	\$8,637,115	0.00		0.00
OTHER FUNDS	\$917,800	0.00	\$4,252,464	0.00	\$4,252,464	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.460

Program Name: Dental

Program is found in the following core budget(s): Dental

1. What does this program do?

Dental services are typically those diagnostic, preventive and corrective procedures provided by a licensed dentist or dental hygienist performing within his/her scope of practice. The dentist must be enrolled in the MO HealthNet program. Generally, dental services include: treatment of the teeth and associated structure of the oral cavity; preparation, fitting and repair of dentures and associated appliances; and treatment of disease, injury or impairments that affect the general oral health of a participant.

For children under 21, pregnant women, the blind, and nursing facility residents (including ICF/IDD) covered services under the dental program include, in part, the following: examinations; fillings; sealants; prophylaxis; fluoride treatments; extractions; anesthesia; crowns; injections; oral surgery; periodontal treatment (in limited cases); pulp treatment; restoration; root canal therapy; x-rays; dentures (full or partial), denture adjustments or repairs, and denture duplication or relines. Orthodontic services, the field of dentistry associated with the correction of abnormally positioned or misaligned teeth, are available only to children under age 21 for the most severe malocclusions.

Since September 1, 2005, MO HealthNet has only covered dental services for adults age 21 and over (except individuals under a category of assistance for pregnant women or the blind or nursing facility residents) if the dental care is related to trauma of the mouth, jaw, teeth or other contiguous sites as a result of injury or for the treatment of a medical condition without which the health of the individual would be adversely affected. Treatment for a medical condition requires a written referral from the participant's physician stating that the absence of dental treatment would adversely affect a stated pre-existing medical condition. Coverage for adults for services in tiers 1-6 is funded in FY 2016 with the Tax Amnesty Fund.

For a dentist to participate in the MO HealthNet program as a provider, the dentist must be licensed by the Missouri Dental Board and have a signed Title XIX Participation Agreement. The services of a dentist may be administered in a variety of settings including the provider's office, a hospital, nursing home or clinic. The fees paid to the provider are based on maximum allowable amounts identified on a fee schedule. Prior authorization is required for certain services, such as: orthodontic treatment; composite resin crowns; metallic and porcelain/ceramic inlay restorations; and high noble metal crowns.

A copayment, a portion of the providers' charges paid by the participant, is required on many dental services. Participants under age 19, hospice participants, participants who reside in nursing facilities, residential care facilities, psychiatric hospitals or adult boarding homes, and participants age 18-21 in foster care are exempt from copayments. The copayment, in accordance with title 42 Code of Federal Regulations part 447.54, is based on the lesser of the provider's usual charge for the service or the maximum allowable amount. The copayment is \$.50 for charges of \$10.00 or less, \$1.00 for \$10.01 to \$25.00, \$2.00 for \$25.01 to \$50.00 and \$3.00 for charges of \$50.01 or more. Generally, MHD reimburses the minimum amount allowed less any third-party liability (TPL) amounts.

Rate Change History:

- 7/1/2008: Maximum allowable reimbursement rates were increased to 38.5% of the 50th percentile of the usual and customary rate listed in the 2007 National Dental Advisory Service (NDAS) Comprehensive Fee Report.
- 7/1/2009: Maximum allowable reimbursement rates were increased to 38.75% of the 50th percentile of the usual and customary rate listed in the 2007 NDAS.
- 1/1/2016: 3% rate increase based on tax amnesty.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.460

Program Name: Dental

Program is found in the following core budget(s): Dental

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State Statute: RSMo. 208.152, 208.166; Federal law: Social Security Act Section 1905(a)(10); Federal regulation: 42 CFR 440.100

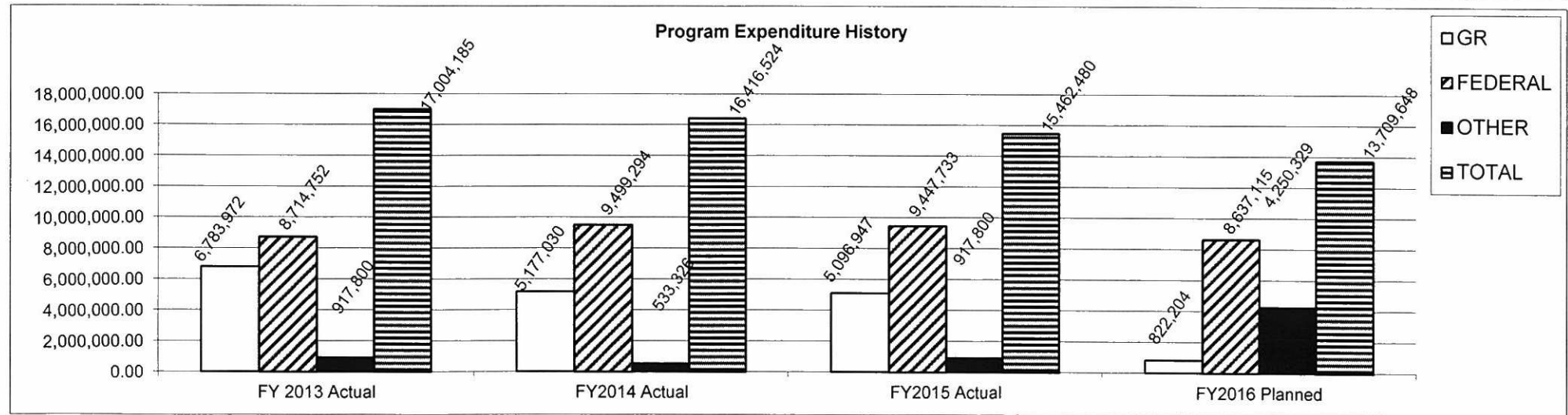
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY16 is a blended 63.323% federal match. The state matching requirement is 36.677%.

4. Is this a federally mandated program? If yes, please explain.

Yes, only for children.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY 2016 planned is net of reverted and reserved.

6. What are the sources of the "Other " funds?

Health Initiatives Fund (0275) and Healthy Families Trust Fund (0625).

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.460

Program Name: Dental

Program is found in the following core budget(s): Dental

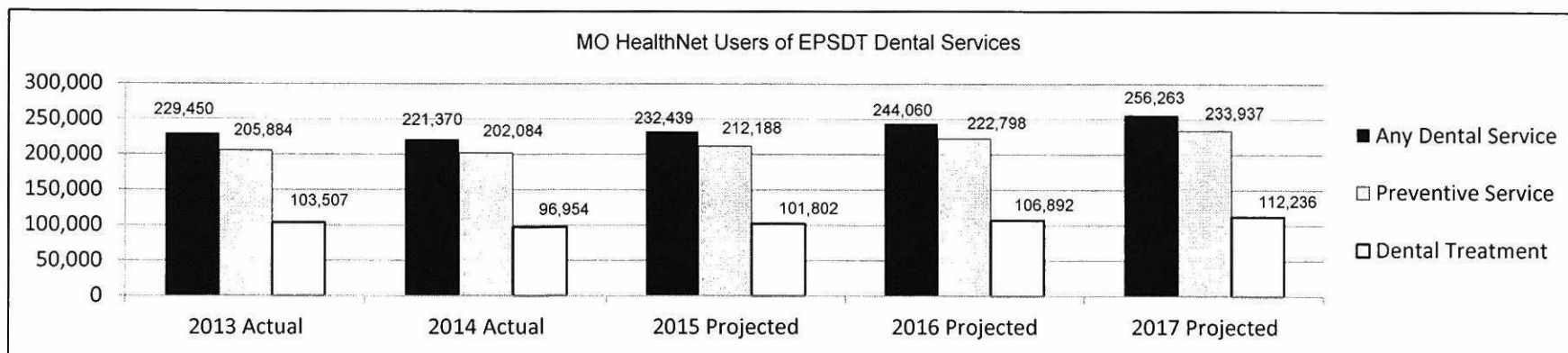
7a. Provide an effectiveness measure.

Maintain or increase the ratio of participants who receive EPSDT screenings. The purpose of the Early Periodic Screening Diagnosis and Treatment/ Healthy Children and Youth (EPSDT/HCY) program is to ensure a comprehensive, preventive health care program for Missouri. The HCY program provides early and periodic medical, dental, vision, and hearing screening, diagnosis and treatment to ameliorate defects and chronic conditions found during the screening. A dental screening is available to children from birth until they become 21 years of age.

EPSDT Participant Ratio

* Federal Fiscal Year	Participants Who Should Have Received a Screening	Participants Who Received At Least One Screening	Percent
2011 Actual	420,877	314,555	75%
2012 Actual	429,478	320,844	75%
2013 Actual	409,698	304,131	74%
2014 Actual	395,881	278,040	70%
2015 Projected	395,881	278,040	70%
2016 Projected	395,881	278,040	70%
2017 Projected	395,881	278,040	70%

*Based on federal fiscal year in which report was submitted to CMS.



Note: Data includes both fee-for-service and Managed Care. Based on federal fiscal year in which report was submitted to CMS.

PROGRAM DESCRIPTION

Department: Social Services

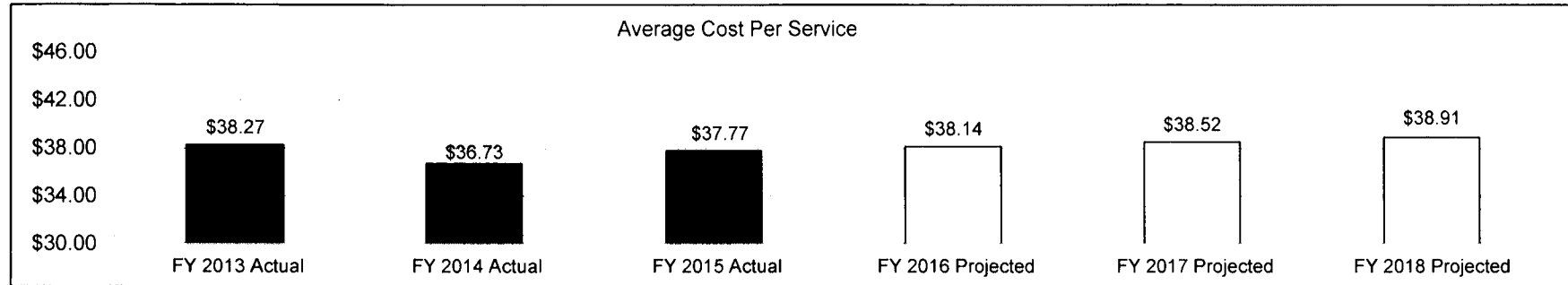
HB Section: 11.460

Program Name: Dental

Program is found in the following core budget(s): Dental

7b. Provide an efficiency measure.

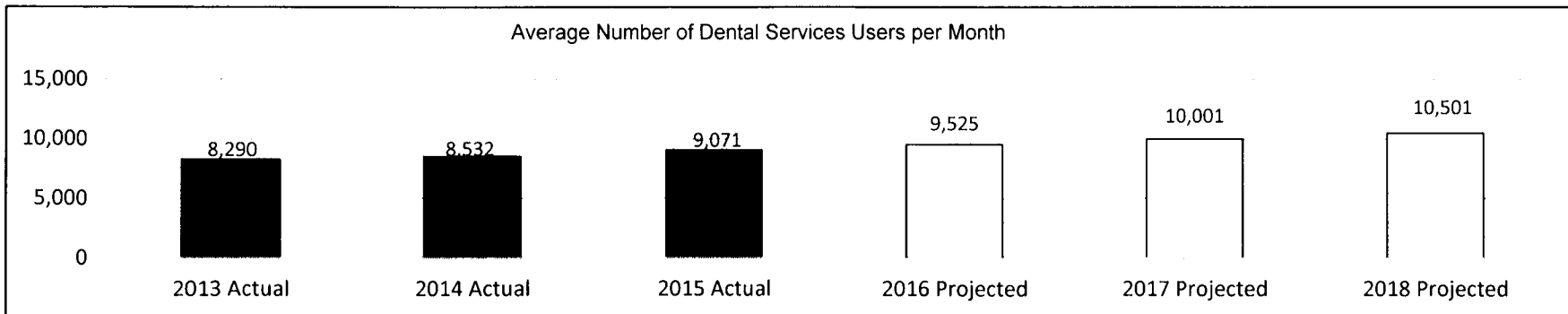
Provide adequate dental services to MO HealthNet recipients with the funds appropriated.



7c. Provide the number of clients/individuals served, if applicable.

Effective September 1, 2005 dental services are available only to children, pregnant women, the blind, and nursing facility residents (including ICF/IID). Dental services are available to other adults if the dental care was related to trauma or a disease/medical condition. Qualified Medicare Beneficiaries (QMB) are not eligible for dental services. In the regions of the state where managed care has been implemented, children and pregnant women have dental services available through the managed care health plans.

SB 577 (2007) provided medically necessary dental services for adults; however, funding was not appropriated until FY 2016 for these services. Coverage for adults for services in tiers 1-6 is funded in FY 2016 with the Tax Amnesty Fund.



Source: Table 23 Medical Statistics for Fiscal Year 2015 (Paid Claims Data)

7d. Provide a customer satisfaction measure, if available.

N/A

Premium Payments

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
PREMIUM PAYMENTS								
CORE								
PROGRAM DISTRIBUTIONS	194,572,404	0.00	193,807,879	0.00	193,807,879	0.00	0	0.00
TOTAL - PD	194,572,404	0.00	193,807,879	0.00	193,807,879	0.00	0	0.00
GRAND TOTAL	\$194,572,404	0.00	\$193,807,879	0.00	\$193,807,879	0.00	\$0	0.00
GENERAL REVENUE	\$70,214,205	0.00	\$65,720,861	0.00	\$65,720,861	0.00		0.00
FEDERAL FUNDS	\$124,358,199	0.00	\$128,087,018	0.00	\$128,087,018	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Premium Payments

Budget Unit: 90547C
HB Section: 11.465

1. CORE FINANCIAL SUMMARY

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	65,720,861	128,087,018		193,807,879
TRF				
Total	65,720,861	128,087,018		193,807,879

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

This core request is for the ongoing funding for premium payments for health insurance through the following MO HealthNet programs: Medicare Buy-In and the Health Insurance Premium Payment (HIPP) program.

3. PROGRAM LISTING (list programs included in this core funding)

Premium Payments Program:
Medicare Part A and Part B Buy-In
Health Insurance Premium Payment (HIPP) Program

CORE DECISION ITEM

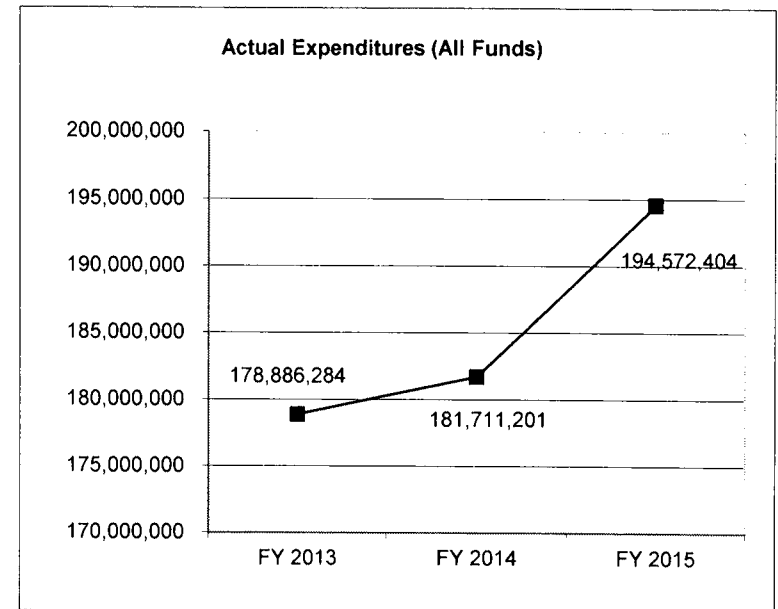
Department: Social Services
Division: MO HealthNet
Core: Premium Payments

Budget Unit: 90547C

HB Section: 11.465

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	178,886,284	181,712,730	200,219,496	193,807,879
Less Reverted (All Funds)	0	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	178,886,284	181,712,730	200,219,496	N/A
Actual Expenditures (All Funds)	178,886,284	181,711,201	194,572,404	N/A
Unexpended (All Funds)	0	1,529	5,647,092	N/A
Unexpended, by Fund:				
General Revenue	0	581	0	N/A
Federal	0	948	5,047,092	N/A
Other	0	0		N/A
	(1)	(2)		



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY13 Expenditures of \$7,112,098 were paid out of the supplemental pool.

(2) FY14 Expenditures of \$11,059,968 were paid out of the supplemental pool.

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Premium Payments

Budget Unit: 90547C

HB Section: 11.465

Cost Per Eligible - Per Member Per Month (PMPM)

	Premium Payments PMPM*	Acute Care PMPM	Total PMPM	Premium Payments Percentage of Acute	Premium Payments Percentage of Total
PTD	\$52.09	\$1,074.20	\$1,961.17	4.85%	2.66%
Seniors	\$101.88	\$368.96	\$1,565.89	27.61%	6.51%
Custodial Parents	\$0.07	\$473.61	\$507.28	0.01%	0.01%
Children*	\$0.00	\$274.18	\$303.51	0.00%	0.00%
Pregnant Women	\$0.00	\$657.06	\$671.28	0.00%	0.00%

Source: Table 23 Medical Statistics for Fiscal Year 2015 (Paid Claims Data).

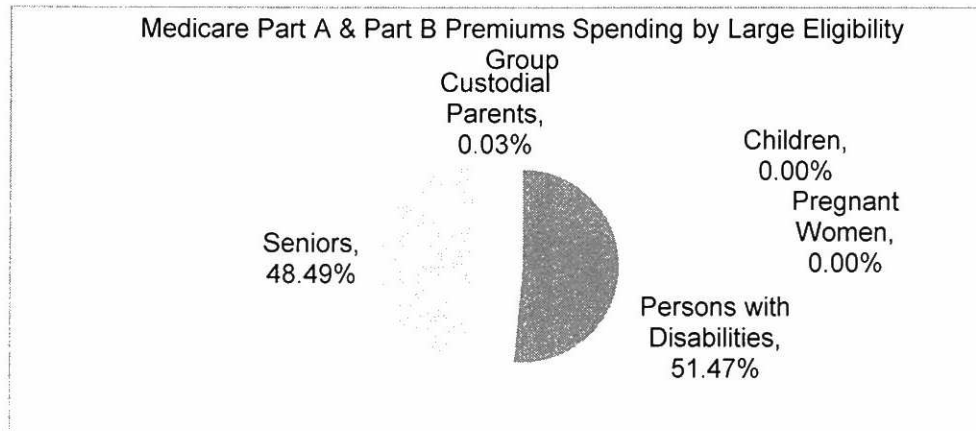
* CHIP eligibles not included

The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MHD management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending. PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for premium payments, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, drugs, managed care payments, Medicare co-pay/deductibles and other acute services administered by MHD. It does not include nursing facilities, in-home services, mental health services and state institutions. By comparing the premium payments PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for the Premium Payments core. It provides a snapshot of what eligibility groups participate, as well as the populations impacted by program changes.



Source: Table 23 Medical Statistics for Fiscal Year 2015 (Paid Claims Data).

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES PREMIUM PAYMENTS

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	65,720,861	128,087,018	0	193,807,879	
	Total	0.00	65,720,861	128,087,018	0	193,807,879	
DEPARTMENT CORE REQUEST							
	PD	0.00	65,720,861	128,087,018	0	193,807,879	
	Total	0.00	65,720,861	128,087,018	0	193,807,879	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	65,720,861	128,087,018	0	193,807,879	
	Total	0.00	65,720,861	128,087,018	0	193,807,879	

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90547C BUDGET UNIT NAME: Premium HOUSE BILL SECTION: 11.465	DEPARTMENT: Social Services DIVISION: MO HealthNet
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1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

DEPARTMENT REQUEST

	Core	% Flex Requested	Flex Requested Amount
<i>Total Program Request</i>	\$193,807,879	10%	\$19,380,788
	\$193,807,879	25%	\$48,451,969.75

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
None.	H.B. 11 language allows for up to 10% flexibility between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.485, 11.490, 11.505, 11.510, 11.550, 11.555, and 11.595 and 25% flexibility for use of this section for managed care.	10% flexibility between sections and 25% flexibility between FFS and Managed Care is being requested for FY 17.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
None.	Flexibility allows DSS to provide continued Medicaid benefits without an interruption in reimbursement to providers or partial payments.

DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN	
PREMIUM PAYMENTS									
CORE									
PROGRAM-SPECIFIC									
GENERAL REVENUE	70,214,205	0.00	65,720,861	0.00	65,720,861	0.00	0	0.00	
TITLE XIX-FEDERAL AND OTHER	124,358,199	0.00	128,087,018	0.00	128,087,018	0.00	0	0.00	
TOTAL - PD	194,572,404	0.00	193,807,879	0.00	193,807,879	0.00	0	0.00	
TOTAL	194,572,404	0.00	193,807,879	0.00	193,807,879	0.00	0	0.00	
MHD FY17 Cost to Continue - 1886001									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	6,598,374	0.00	0	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	13,082,283	0.00	0	0.00	
TOTAL - PD	0	0.00	0	0.00	19,680,657	0.00	0	0.00	
TOTAL	0	0.00	0	0.00	19,680,657	0.00	0	0.00	
Premium Increase - 1886006									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	3,196,563	0.00	0	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	6,260,217	0.00	0	0.00	
TOTAL - PD	0	0.00	0	0.00	9,456,780	0.00	0	0.00	
TOTAL	0	0.00	0	0.00	9,456,780	0.00	0	0.00	
GRAND TOTAL	\$194,572,404	0.00	\$193,807,879	0.00	\$222,945,316	0.00	\$0	0.00	

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PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.465

Program Name: Premium Payments

Program is found in the following core budget(s): Premium Payments

1. What does this program do?

This program pays for health insurance premiums for eligible participants. Payments include premiums for Medicare Part A, Medicare Part B, and group health insurance premiums provided pursuant to the Health Insurance Premium Payment (HIPP) program. Payment of these premiums allows for MO HealthNet to transfer medical costs from the MO HealthNet program to Medicare and other payers.

Beneficiary Categories

- Hospital insurance—Medicare Part A—helps pay for inpatient care in a hospital or skilled nursing facility (following a hospital stay), hospice, and some home health care.
- Medical insurance—Medicare Part B—helps pay for doctors' services and many other medical services and supplies that are not otherwise covered by hospital insurance.
- Qualified Medicare Beneficiaries (QMBs) are Medicare recipients whose income is between 85% and 100% of the FPL. MO HealthNet pays both Part B Premiums and some Part A premiums and co-pays and deductibles for Medicare approved services.
- Specified Low Income Medicare Beneficiary (SLMB) is a Medicare recipient whose income is between 100% and 120% of the FPL. MO HealthNet pays only Part B premiums.
- Qualifying Individual (QI) is a Medicare recipient whose income is between 120% and 135% of the FPL. MO HealthNet pays only Part B premiums.

Medicare Buy-In

The purpose of buy-in is to permit the state, as part of its total assistance plan, to provide Medicare protection to certain groups of eligible individuals. The Medicare Buy-in Program allows states to enroll certain groups of eligible individuals in the Medicare Part A and Part B program and pay their premiums to transfer medical costs from the Title XIX Medicaid program to the Medicare program - Title XVIII. This process allows the state to realize cost savings through substitution of Medicare liability for the majority of the medical costs before a provider may seek reimbursement for the remaining uncompensated portion of the services. Missouri holds two types of buy-in agreements - "1634 agreements" and "209b". States with "1634 agreements" have the same Medicaid eligibility standards as the Supplemental Security Income (SSI) program. States with more restrictive eligibility standards for Medicaid are "209b" states. The "209b" states make their own buy-in determinations. Missouri is a "209b" state. The buy-in for Part A began in FY 1990 (September 1989). The Part B buy-in has been a MO HealthNet service since January 1968.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.465

Program Name: Premium Payments

Program is found in the following core budget(s): Premium Payments

Medicare Part A, Part B, and Qualified Individual Premiums (per month)

	Part A	Part B & QI
CY06	\$393.00	\$88.50
CY07	\$410.00	\$93.50
CY08	\$423.00	\$96.40
CY09	\$443.00	\$96.40
CY10	\$461.00	\$110.50
CY11	\$450.00	\$115.40
CY12	\$451.00	\$99.90
CY13	\$441.00	\$104.90
CY14	\$426.00	\$104.90
CY15	\$407.00	\$104.90

Health Insurance Premium Payment

The purpose of the Health Insurance Premium Payment (HIPP) program is to pay for the cost of commercial or employer sponsored health insurance including premiums, coinsurance, and deductibles instead of the full cost of MO HealthNet benefits. The program pays for health insurance for MO HealthNet eligibles when it is determined to be "cost effective". "Cost effective" means that it costs less to buy other health insurance to cover medical care than to pay for the same services with MO HealthNet funds. Cost effectiveness is determined by comparing the cost of the medical coverage (includes premium payments, coinsurance, and deductibles) with the average cost of each MO HealthNet eligible person in the household. The average cost of each MO HealthNet participant is calculated based on the previous year's MO HealthNet expenditures with like demographic data: age; sex; geographic location (county); type of assistance (MO HealthNet for Families - MAF, Old Age Assistance - OAA, and disabled); and the types of services covered by the group insurance. The HIPP program has been a MO HealthNet program since September 1992.

Provisions of Omnibus Budget Reconciliation Act of 1990 (OBRA 90) require states to purchase group health insurance (such as an employer sponsored insurance) for an eligible MO HealthNet participant when it is more cost-effective to buy health insurance to cover medical care than to pay for an equivalent set of services with MO HealthNet funds.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo 208.153; Federal law: Social Security Act Section 1905(p)(1), 1902(a)(10) and 1906; Federal Regulation: 42 CFR 406.26 and 431.625

3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the annual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY16 is a blended 63.323% federal match. The state matching requirement is 36.677%. 100% federal funds for QI.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.465

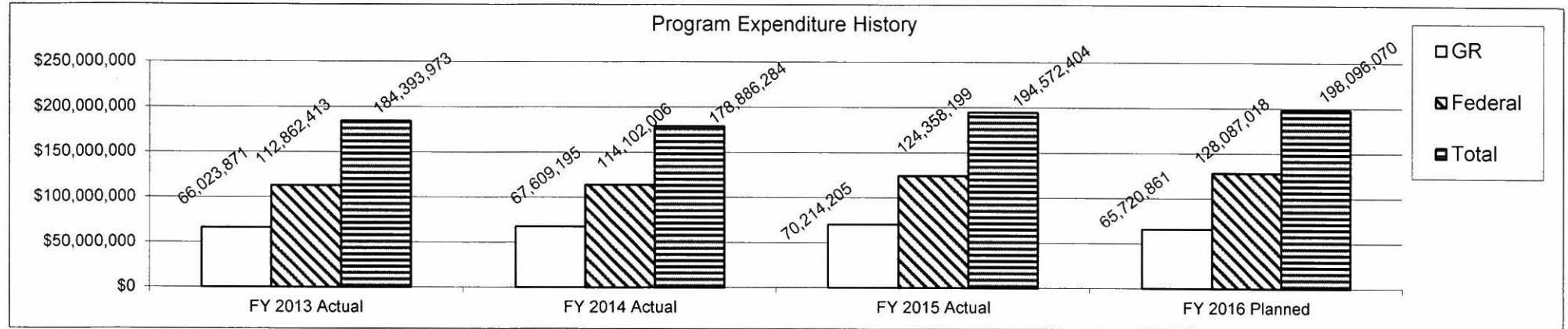
Program Name: Premium Payments

Program is found in the following core budget(s): Premium Payments

4. Is this a federally mandated program? If yes, please explain.

Yes, if the state elects to have a Medicaid program.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

N/A

PROGRAM DESCRIPTION

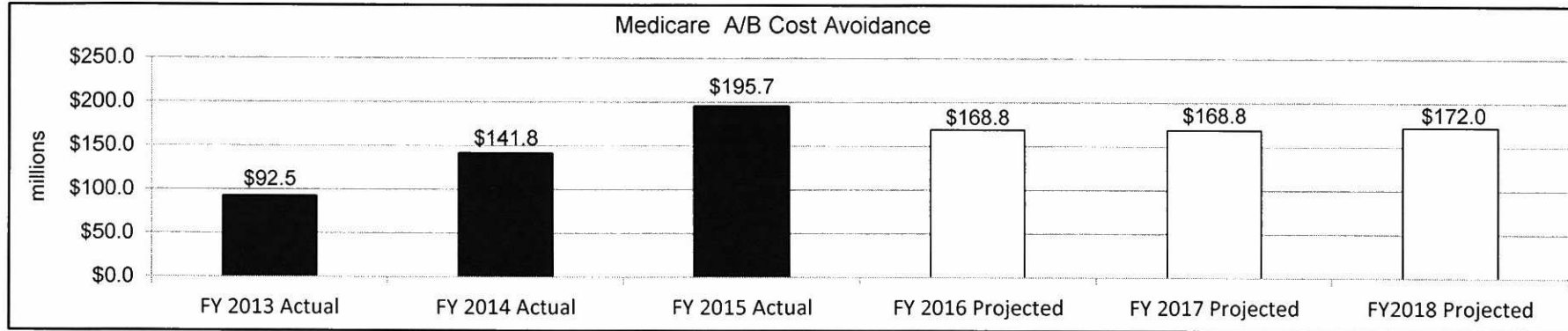
Department: Social Services
Program Name: Premium Payments

HB Section: 11.465

Program is found in the following core budget(s): Premium Payments

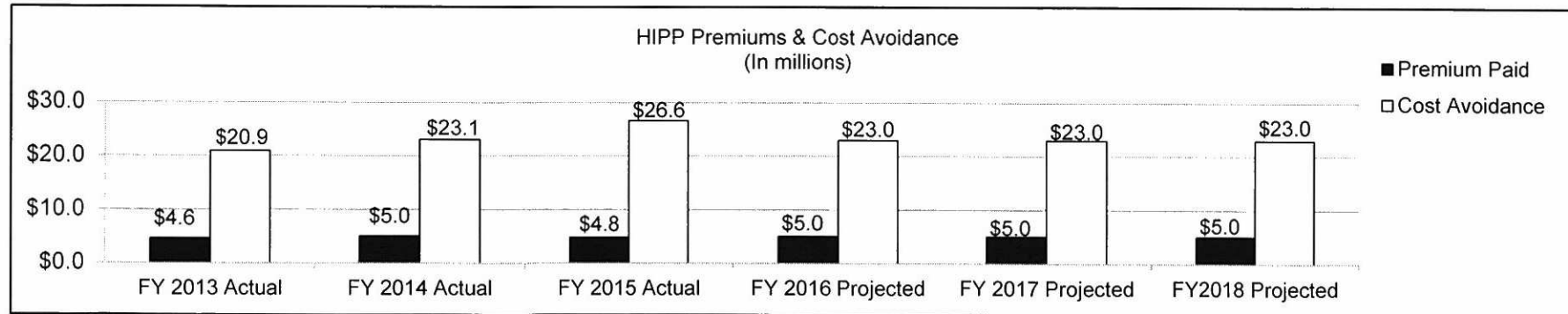
7a. Provide an effectiveness measure.

Increase cost avoidance by paying Medicare premiums for dual eligibles. By paying Medicare premiums for dual eligibles, the MO HealthNet avoided over \$195.7 million in SFY 2015 as shown in the chart below



7b. Provide an efficiency measure.

Increase cost avoidance by paying for health insurance premiums, coinsurance, and deductibles for MO HealthNet eligibles when it is cost effective to do so. In FY15, the MO HealthNet Division paid \$4.8 million for health insurance premiums, coinsurance and deductibles and avoided \$26.6 million in costs.



PROGRAM DESCRIPTION

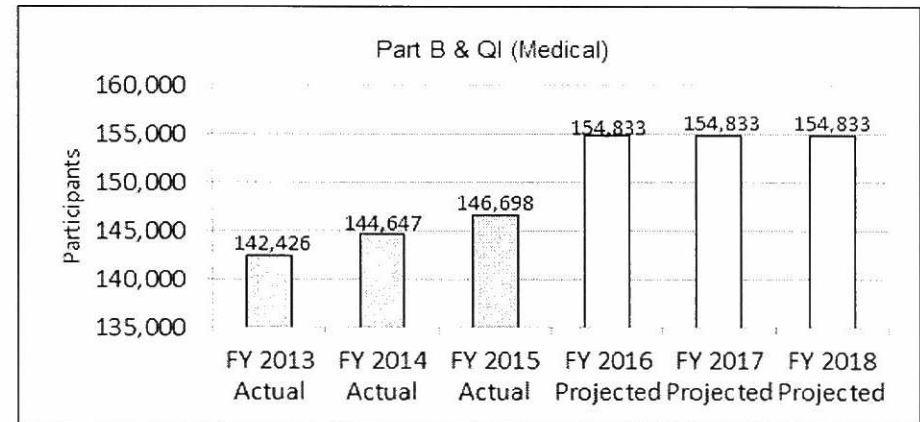
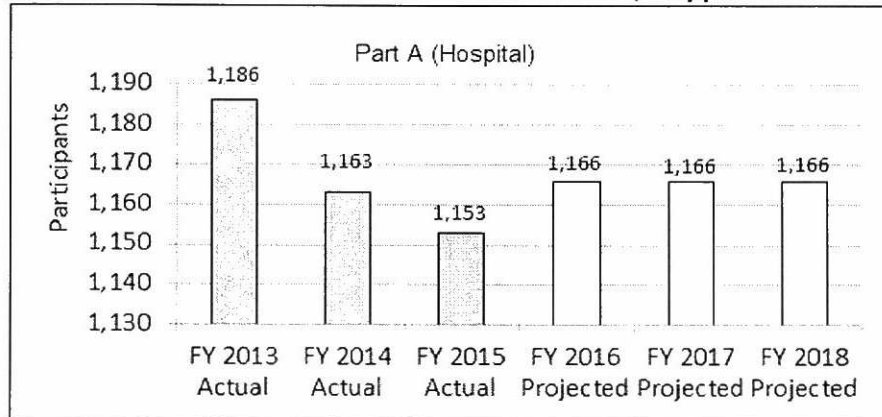
Department: Social Services

HB Section: 11.465

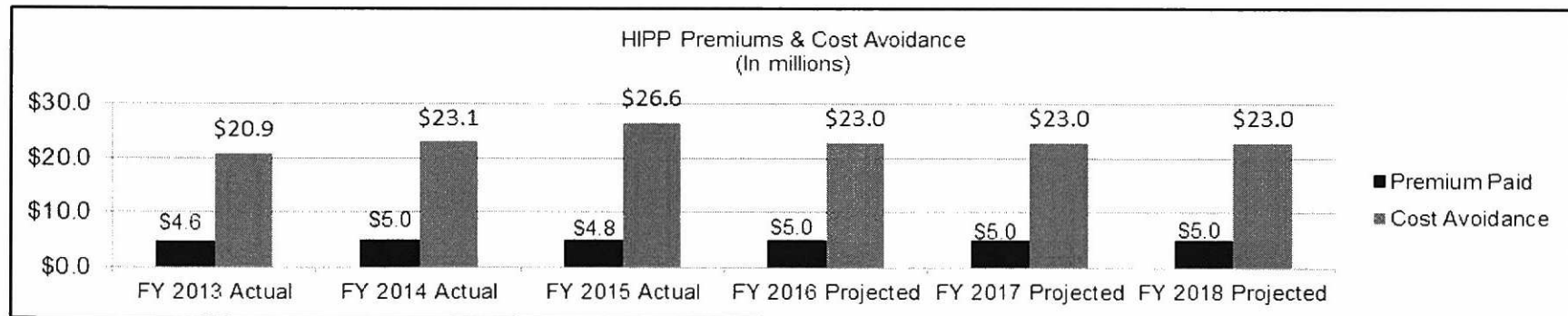
Program Name: Premium Payments

Program is found in the following core budget(s): Premium Payments

7c. Provide the number of clients/individuals served, if applicable.



Increase of FY2015 participants is due to processing backlog of Part B Participants.



Participants:

Part A (Hospital) premium payments can be made for Qualified Medicare Beneficiaries (QMBs) and Qualified Disabled Working Individuals.

Part B (Medical) premium payments can be made for Individuals meeting certain income standards, QMBs, and Specified Low-Income Medicare Beneficiaries.

HIPP: Provisions of OBRA 90 require states to purchase group health insurance for a MO HealthNet participant when it is more cost effective to buy health insurance to cover medical care than to pay for an equivalent set of services with MO HealthNet funds.

7d. Provide a customer satisfaction measure, if available.

N/A

NEW DECISION ITEM
RANK: 17 OF: 29

Department: Social Services
Division: MO HealthNet
DI Name: Medicare Premium Increases

Budget Unit: 90547C
DI#: 1886006

1. AMOUNT OF REQUEST

	FY 2017 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	3,196,563	6,260,217		9,456,780
TRF				
Total	3,196,563	6,260,217		9,456,780
FTE				0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

	FY 2017 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD				0
TRF				
Total	0	0		0
FTE				0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

<input checked="" type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input type="checkbox"/> Other:	

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funding is requested for anticipated Medicare Part A and Part B increases.

Federal law mandates that the Medicare Part A and Part B premiums cover a certain percentage of the cost of the Medicare program. Medicare Part A and Part B premiums are adjusted each January. Current premium rates (effective January 2015) are \$407 per month for Part A and \$104.90 per month for Part B. MO HealthNet projects the Part A and Part B premium rates to increase \$5 each beginning January 2016 and another \$5 each in January 2017. This request is for six months of funding for the calendar year 2016 premium increase and six months of funding for the expected premium increase for calendar year 2017.

The Federal Authority is Social Security Act Section 1905(p)(1), 1902(a)(10), and 1906 and Federal Regulations 42 CFR 406.26 and 431.625. The State Authority is RSMo 208.153.

NEW DECISION ITEM

RANK: 17 OF: 29

Department: Social Services
Division: MO HealthNet
DI Name: Medicare Premium Increases

Budget Unit: 90547C

DI#: 1886006

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

Projected participants are based on historical data. The projected premium increases are based on the average increases in premiums for the last few years as well as other information sources. The federal matching rate used is the blended FY16 FMAP of 63.32%. States are only required to pay the federal share for QIs (Qualified Individual). A QI is an individual with income between 120% and 135% of the federal poverty level with assets of \$6,000 per individual and \$9,000 per couple indexed each year according to Consumer Price Index.

Department Request:	Part A	Part B	QI
Eligibles per month (FY16)	1,179	144,076	12,358
Premium Increase (1/16)	\$5.00	\$5.00	\$5.00
Premium Increase (1/17)	\$5.00	\$5.00	\$5.00

Calendar Year 2016 Increase:

Average eligibles per month	1,179	144,076	12,358
Premium increase for 2016	\$5.00	\$5.00	\$5.00
Number of months to increase	6	6	6
Projected increase 7/16 - 12/16	35,370	4,322,280	370,740

Calendar Year 2017 Increase:

Average eligibles per month	1,179	144,076	12,358
Premium increase for 2017	\$5.00	\$5.00	\$5.00
Number of months to increase	6	6	6
Projected increase 1/17 - 6/17	35,370	4,322,280	370,740

Total	\$70,740	\$8,644,560	\$741,480
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	Total	GR	Federal
Part A Request	70,740	25,950	44,790
Part B Request	8,644,560	3,170,613	5,473,947
Part B QI	741,480		741,480
Total	\$9,456,780	\$3,196,563	\$6,260,217

Fed. only

NEW DECISION ITEM

RANK: 17

OF: 29

Department: Social Services
 Division: MO HealthNet
 DI Name: Medicare Premium Increases

Budget Unit: 90547C

DI#: 1886006

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	3,196,563		6,260,217		0		9,456,780		
Total PSD	3,196,563		6,260,217		0		9,456,780		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	3,196,563	0.0	6,260,217	0.0	0	0.0	9,456,780	0.0	0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	0		0		0		0		0
Total PSD	0		0		0		0		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0

NEW DECISION ITEM
RANK: 17 OF: 29

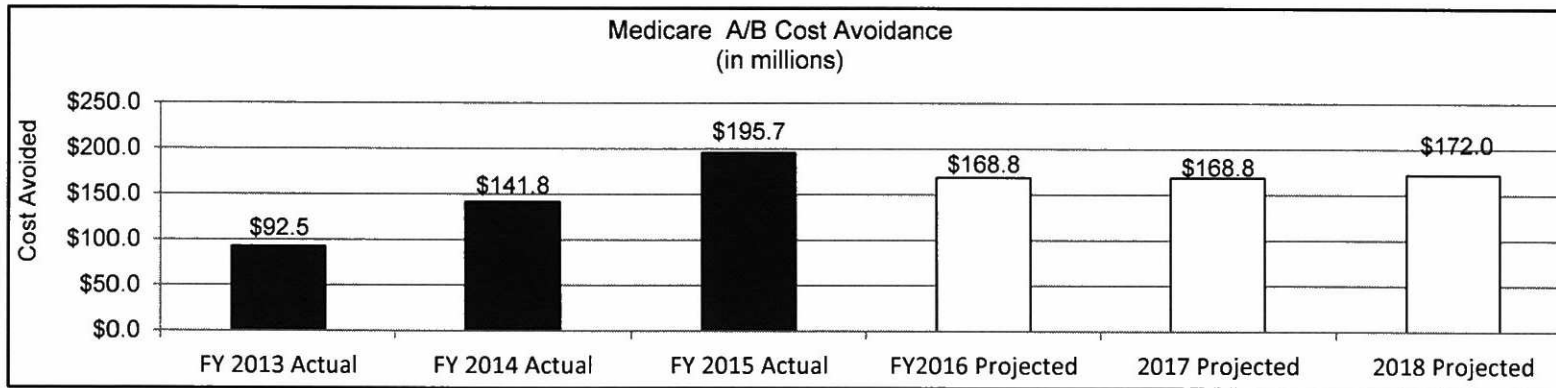
Department: Social Services
Division: MO HealthNet
DI Name: Medicare Premium Increases

Budget Unit: 90547C
DI#: 1886006

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

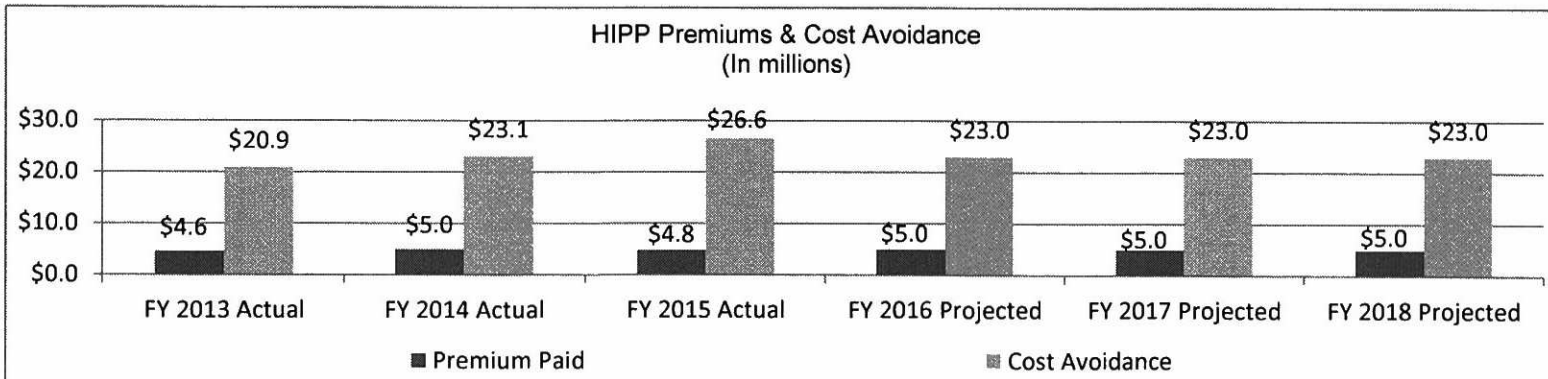
6a. Provide an effectiveness measure.

Effectiveness Measure: Increase cost avoidance by paying Medicare premiums for dual eligible's. By paying Medicare premiums for dual eligible's, the MO HealthNet avoided over \$195.7 million in SFY 2015 as shown in the chart below.



6b. Provide an efficiency measure.

Efficiency Measure: Increase cost avoidance by paying for health insurance premiums, coinsurance, and deductibles for Mo HealthNet eligible's when it is cost effective to do so. In FY15, the MO HealthNet Division paid \$4.8 million for health insurance premiums, coinsurance and deductibles and avoided \$26.6 million in costs.



NEW DECISION ITEM

RANK: 17

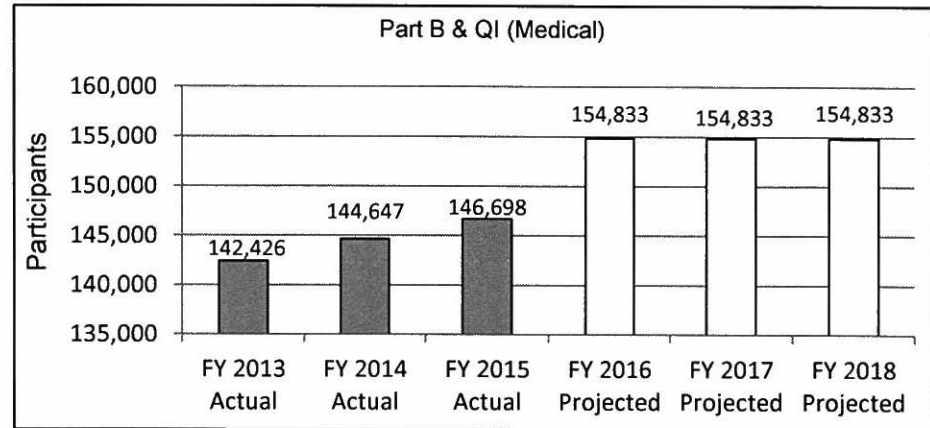
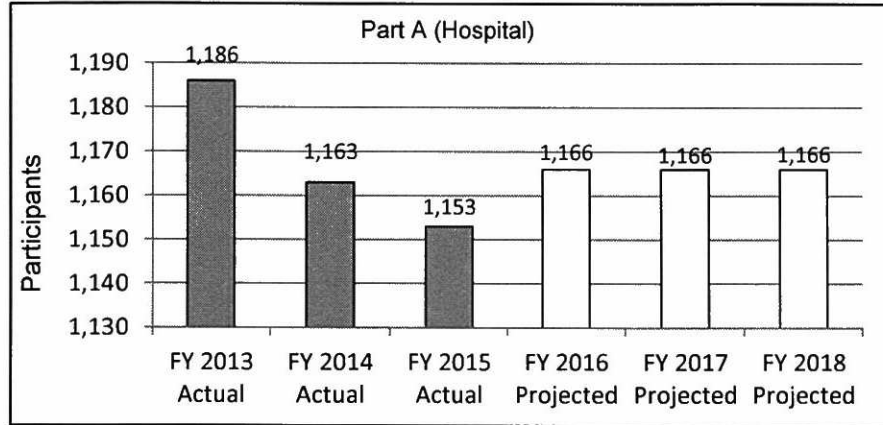
OF: 29

Department: Social Services
Division: MO HealthNet
DI Name: Medicare Premium Increases

Budget Unit: 90547C

DI#: 1886006

6c. Provide the number of clients/individuals served, if applicable.



Participants: Part A (Hospital) premium payments can be made for: Qualified Medicare Beneficiaries (QMBs) and Qualified Disabled Working Individuals. Part B

6d. Provide a customer satisfaction measure, if available.

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
PREMIUM PAYMENTS								
Premium Increase - 1886006								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	9,456,780	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	9,456,780	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$9,456,780	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$3,196,563	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$6,260,217	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

Nursing Facilities

DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
NURSING FACILITIES								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	136,285,830	0.00	142,097,015	0.00	142,097,015	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	353,057,729	0.00	388,426,892	0.00	388,426,892	0.00	0	0.00
UNCOMPENSATED CARE FUND	58,516,478	0.00	58,516,478	0.00	58,516,478	0.00	0	0.00
THIRD PARTY LIABILITY COLLECT	2,592,981	0.00	6,992,981	0.00	6,992,981	0.00	0	0.00
NURSING FACILITY FED REIM ALLW	9,134,756	0.00	9,134,756	0.00	9,134,756	0.00	0	0.00
TAX AMNESTY FUND	0	0.00	6,746,884	0.00	6,746,884	0.00	0	0.00
HEALTHY FAMILIES TRUST	17,973	0.00	17,973	0.00	17,973	0.00	0	0.00
TOTAL - PD	559,605,747	0.00	611,932,979	0.00	611,932,979	0.00	0	0.00
TOTAL	559,605,747	0.00	611,932,979	0.00	611,932,979	0.00	0	0.00
GRAND TOTAL	\$559,605,747	0.00	\$611,932,979	0.00	\$611,932,979	0.00	\$0	0.00

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Nursing Facilities

Budget Unit: 90549C

HB Section: 11.470

1. CORE FINANCIAL SUMMARY

	FY 2017 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	142,097,015	388,426,892	81,409,072	611,932,979
TRF				
Total	142,097,015	388,426,892	81,409,072	611,932,979

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

	FY 2017 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Uncompensated Care Fund (UCF) (0108)
Healthy Families Trust Fund (HFTF) (0625)
Third Party Liability Collections Fund (TPL) (0120)
Nursing Facility Federal Reimbursement Allowance (NFFRA) (0196)
Tax Amnesty Fund (0470)

2. CORE DESCRIPTION

This core is for ongoing funding for payments for long-term nursing care for MO HealthNet participants.

3. PROGRAM LISTING (list programs included in this core funding)

Nursing Facilities

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Nursing Facilities

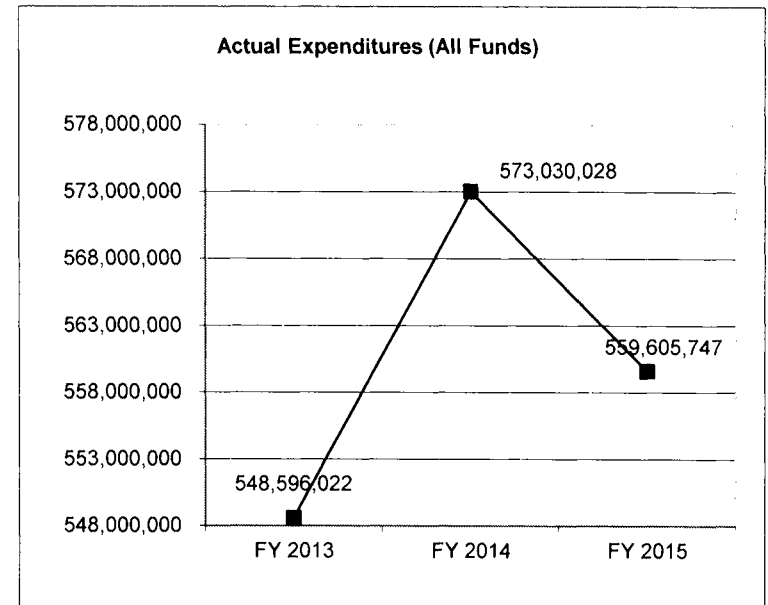
Budget Unit: 90549C

HB Section: 11.470

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	552,824,449	577,493,965	559,605,747	611,932,979
Less Reverted (All Funds)	-	0	0	N/A
Less Restricted (All Funds)				
Budget Authority (All Funds)	552,824,449	577,493,965	559,605,747	N/A
Actual Expenditures (All Funds)	548,596,022	573,030,028	559,605,747	N/A
Unexpended (All Funds)	4,228,427	4,463,937	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	2,239,957	1,870,956	0	N/A
Other	1,988,470	2,592,981	0	N/A

(1)



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY15 Decrease is due to \$16.7 million transfer to DMH and \$7 million core reallocation to Pharmacy.

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Nursing Facilities

Budget Unit: 90549C

HB Section: 11.470

Cost Per Eligible - Per Member Per Month (PMPM)

	<i>Nursing Facility PMPM*</i>	<i>Acute Care PMPM</i>	<i>Total PMPM</i>	<i>Nursing Facility Percentage of Acute</i>	<i>Nursing Facility Percentage of Total</i>
PTD	\$163.33	\$1,074.20	\$1,961.17	15.20%	8.33%
Seniors	\$822.48	\$368.96	\$1,565.89	222.92%	52.52%
Custodial Parents	\$0.47	\$473.61	\$507.28	0.10%	0.09%
Children*	\$0.00	\$274.18	\$303.51	0.00%	0.00%
Pregnant Women	\$0.00	\$657.06	\$671.28	0.00%	0.00%

Source: Table 23 Medical Statistics for Fiscal Year 2015 (claims paid data). Add-on payments funded from FRA provider tax not included.

* CHIP eligibles not included

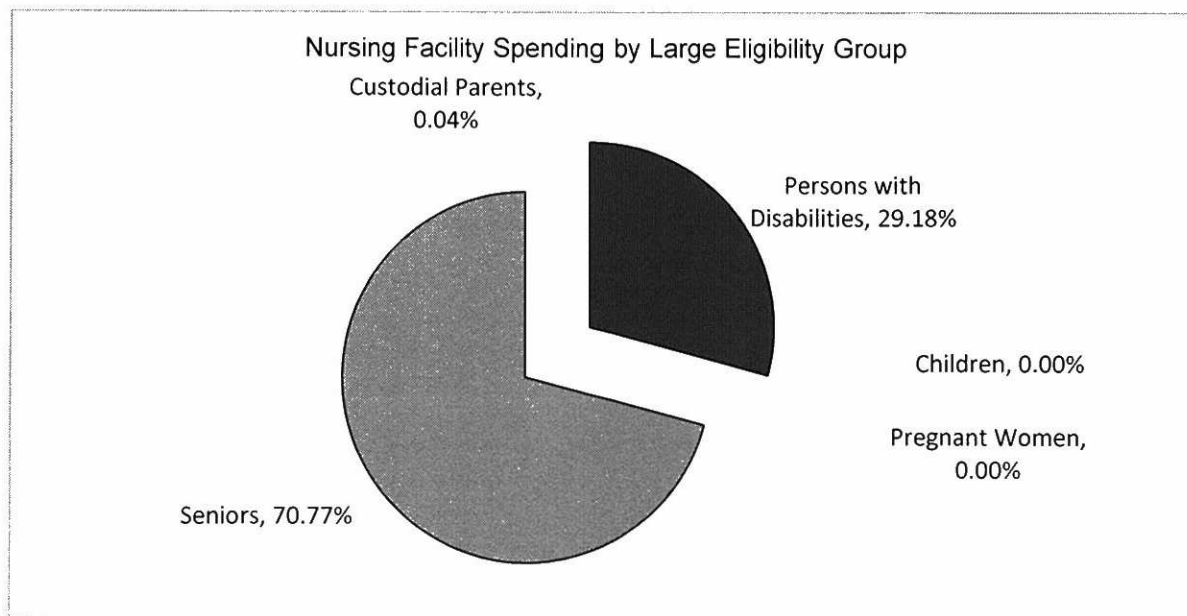
The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MHD management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for nursing facilities, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, drugs, managed care payments, Medicare co-pay/deductibles and other acute services administered by MHD. It does **not** include nursing facilities, in-home services, mental health services and state institutions. By comparing the nursing facility PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for nursing facilities. It provides a snapshot of what eligibility groups are receiving nursing facility services as well as the populations impacted by program changes.



Source: Table 23 Medical Statistics for Fiscal Year 2015 (claims paid data).

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES NURSING FACILITIES

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	142,097,015	388,426,892	81,409,072	611,932,979	
	Total	0.00	142,097,015	388,426,892	81,409,072	611,932,979	
DEPARTMENT CORE REQUEST							
	PD	0.00	142,097,015	388,426,892	81,409,072	611,932,979	
	Total	0.00	142,097,015	388,426,892	81,409,072	611,932,979	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	142,097,015	388,426,892	81,409,072	611,932,979	
	Total	0.00	142,097,015	388,426,892	81,409,072	611,932,979	

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90549C BUDGET UNIT NAME: Nursing Facilities HOUSE BILL SECTION: 11.470	DEPARTMENT: Social Services DIVISION: MO HealthNet
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1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

DEPARTMENT REQUEST

	Core	% Flex Requested	Flex Requested Amount
<i>Total Program Request</i>	\$593,539,075	10%	\$59,353,908
	\$593,539,075	25%	\$148,384,769

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
None.	H.B. 11 language allows for up to 10% flexibility between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.485, 11.490, 11.505, 11.510, 11.550, 11.555, and 11.595 and 25% flexibility for use of this section for managed care.	10% flexibility between sections and 25% flexibility between FFS and Managed Care is being requested for FY 17.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
None.	Flexibility allows DSS to provide continued Medicaid benefits without an interruption in reimbursement to providers or partial payments.

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
NURSING FACILITIES								
CORE								
PROGRAM DISTRIBUTIONS	559,605,747	0.00	611,932,979	0.00	611,932,979	0.00	0	0.00
TOTAL - PD	559,605,747	0.00	611,932,979	0.00	611,932,979	0.00	0	0.00
GRAND TOTAL	\$559,605,747	0.00	\$611,932,979	0.00	\$611,932,979	0.00	\$0	0.00
GENERAL REVENUE	\$136,285,830	0.00	\$142,097,015	0.00	\$142,097,015	0.00		0.00
FEDERAL FUNDS	\$353,057,729	0.00	\$388,426,892	0.00	\$388,426,892	0.00		0.00
OTHER FUNDS	\$70,262,188	0.00	\$81,409,072	0.00	\$81,409,072	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.470

Program Name: Nursing Facilities

Program is found in the following core budget(s): Nursing Facilities

1. What does this program do?

This program provides long-term institutional care for MO HealthNet participants. An average of 504 nursing facilities were enrolled in the MO HealthNet program in SFY 15 with an average of 24,145 participants utilizing this service per month. While nursing facility users represent 2.53% of the total MO HealthNet participants, the nursing facility program comprises almost 13.69% of the total Medicaid program dollars.

Payment is based on a per diem rate established for each nursing home by the Institutional Reimbursement Unit (IRU) of the MO HealthNet Division. A portion of the per diem rate is paid from both the nursing facilities budget section and a portion from the Nursing Facilities Federal Reimbursement Allowance (NFFRA) section.

Providers are reimbursed for MO HealthNet participants based on the residents' days of care multiplied by the facility's Title XIX per diem rate, taking out any patient surplus amount. The amount of money the MO HealthNet participant contributes to his or her own nursing home care is called patient surplus. The patient surplus is based upon the participant's income and expenses. The amount of the patient surplus is calculated by Family Support Division. The gross income (usually a Social Security benefit check) of the participant is adjusted for the personal needs allowance, an allotment of money allocated for use by the community spouse or dependent children and medical deductions (Medicare premiums or private medical insurance premiums that the participant pays for his own medical coverage). The remainder is the patient surplus. The participant and the nursing facility are notified of the amount of the patient surplus by the Family Support Division. The nursing home provider is responsible for obtaining the patient surplus from the participant.

Rate Increase History: FY16 \$2.81 (funding dependent on tax amnesty); FY14 \$3.72; (See NFFRA for all other rate increases).

The nursing facility per diem calculation is based on a cost component system. The components are patient care, ancillary, administration and capital. A working capital allowance, incentives and the NFFRA are also elements of the total reimbursement rate. Patient care includes medical supplies, nursing, supplies, activities, social services and dietary costs. Ancillary services are therapies, barber and beauty shop, laundry and housekeeping. Administration includes plant operation costs and administrative costs. Capital costs are reimbursed through a fair rental value methodology. The capital component includes rental value, return, computed interest, borrowing costs and pass-through expenses. Property insurance and real estate and personal property taxes (the pass-through expenses) are the only part of the capital component that is trended. The working capital allowance per diem rate is equal to 1.1 months of the total of the facility's per diem rates for the patient care, ancillary and administration cost components multiplied by the prime rate plus 2%. There are three incentives which are paid to qualified facilities to encourage patient care expenditures and cost efficiencies in administration. The patient care incentive is 10% of a facility's patient care per diem up to a maximum of 130% of the patient care median. The ancillary incentive is paid to all facilities whose costs are below the ancillary ceiling. The amount is one-half of the difference between certain parameters. The multiple component incentive is allowed for facilities whose patient care and ancillary per diem rate are between 60 - 80% of total per diem rate. An additional amount is allowed for facilities with high MO HealthNet utilization. The current NFFRA is also included in the total reimbursement rate since it is an allowable MO HealthNet cost.

Nursing facilities are reimbursed prospectively. When the rate is established on a particular cost report year, it will not change until the rates are rebased on another cost report year. This rate may be adjusted for global per diem rate adjustments, such as trends, which are granted to the industry as a whole and are applied to the previously established rate.

Effective for dates of service beginning April 1, 2010, MHD does not automatically reimburse the coinsurance or cost sharing amount determined by Medicare or the Medicare Advantage Plan for inpatient nursing facility services. MHD now determines the MO HealthNet reimbursement for the coinsurance or cost sharing amount of crossover claims which is limited to fee-for-service amount that would be paid by MHD for those services.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.470

Program Name: Nursing Facilities

Program is found in the following core budget(s): Nursing Facilities

Since January 1, 2010 (HB 395) the personal needs allowance must be increased by an amount equal to the product of the percentage of the Social Security benefit cost-of-living adjustment and the average amount that MO HealthNet participants are required to contribute to their cost of care, not to exceed \$5.00 in any year. When the allowance reaches \$50, there will be no further increases unless authorized by annual appropriation. There was a Social Security cost-of-living adjustment for 2013 which increased the personal needs allowance by the maximum amount of \$5.00. The personal needs allowance has increased to \$50.00 effective January 1, 2015.

MHD encourages spending for direct patient care expense by utilizing a reimbursement methodology that allows for higher reimbursement of patient care costs while limiting administration and capital costs. The ceilings for the cost components related to patient care (patient care and ancillary) are 120% of the median. Various limitations are applied to administration and capital costs, some of which are identified below.

Cost Component Ceilings

Patient Care	120% of median
Ancillary	120% of median
Administration	110% of median

Limitations on Administration & Capital Costs

- Minimum Utilization of 85% applied to Administration and Capital
- Owners' Compensation is limited
- Home office costs are limited to 7% of gross revenues less contractual allowance
- Related party transactions are limited to the cost incurred by the related party
- Fair rental value calculation is used to determine the capital cost component which limits excessive real estate costs.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153, 208.159; 208.201 Federal law: Social Security Act Section 1905(a)(4); Federal regulations: 42CFR 440.40 and 440.210

3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures made in accordance with the approved State Plan. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY 16 is a blended 63.323% federal match. The state matching requirement is 36.677%.

4. Is this a federally mandated program? If yes, please explain.

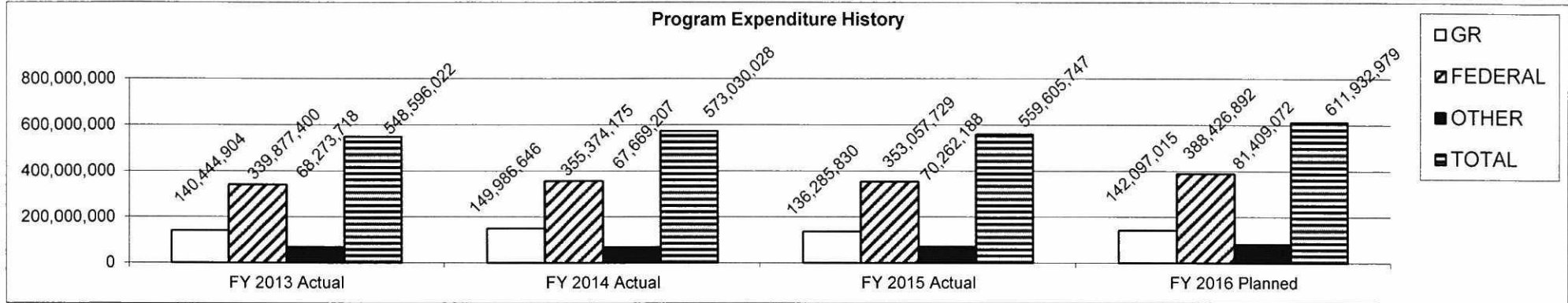
Yes, for people over age 21.

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Nursing Facilities
Program is found in the following core budget(s): Nursing Facilities

HB Section: 11.470

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.

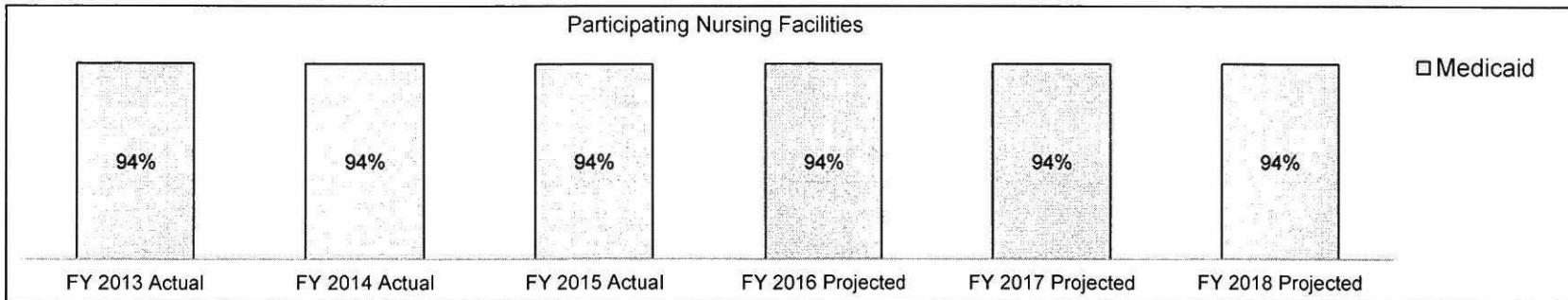


6. What are the sources of the "Other" funds?

Uncompensated Care Fund (0108), Third Party Liability Collections Fund (0120), Healthy Families Trust Fund (0625), Nursing Facilities Federal Reimbursement Allowance Fund (0196), and Tax Amnesty Fund (0470)

7a. Provide an effectiveness measure.

Provide reimbursement that is sufficient to ensure nursing facilities enroll in the MO HealthNet program. During the past three state fiscal years, over 90% of licensed nursing facilities in the state participated in the MO HealthNet program.



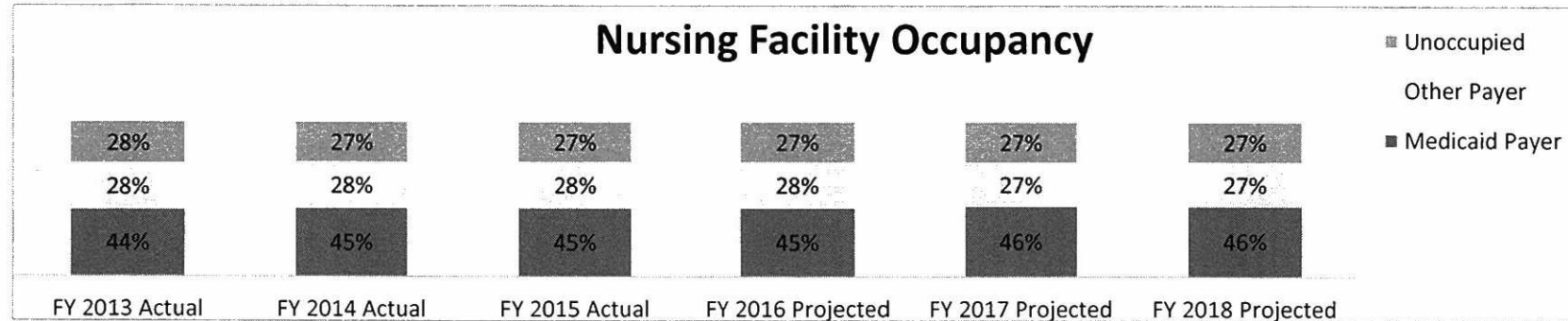
PROGRAM DESCRIPTION

Department: Social Services
Program Name: Nursing Facilities

HB Section: 11.470

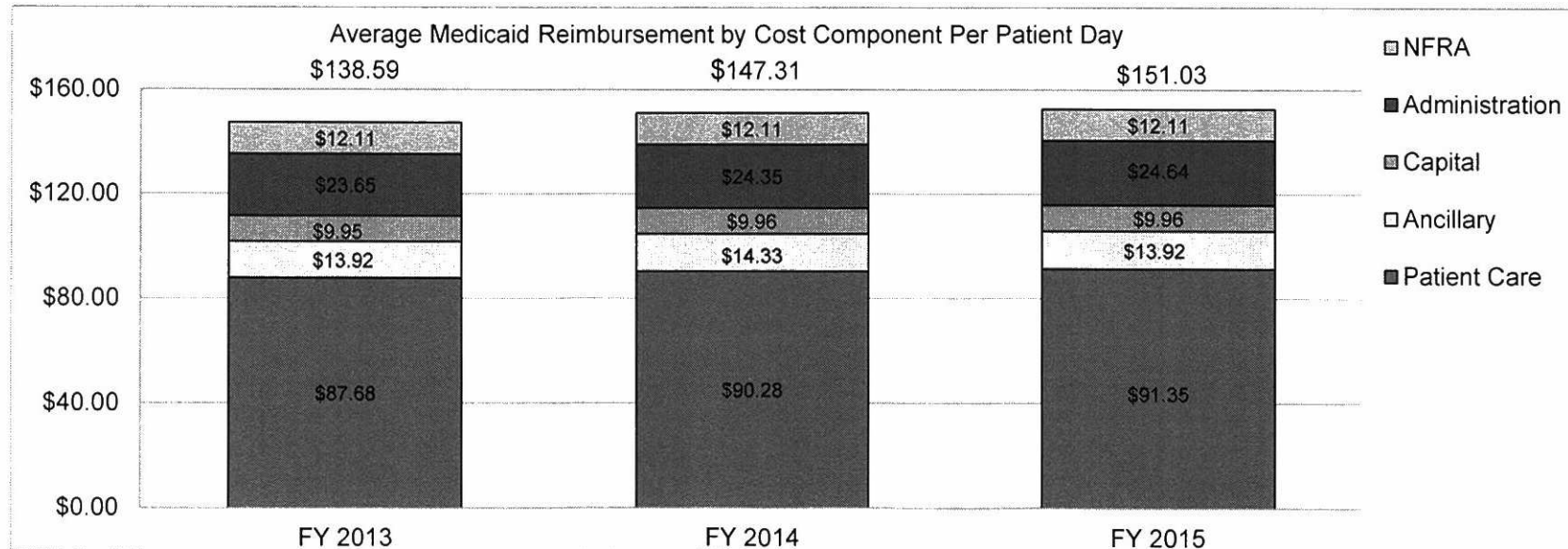
Program is found in the following core budget(s): Nursing Facilities

Provide adequate reimbursement to ensure MO HealthNet participants have sufficient access to care. In the past three state fiscal years, at least 27% of nursing facility beds were unoccupied. There are a sufficient number of beds available to care for MO HealthNet participants.



7b. Provide an efficiency measure.

Target and encourage quality patient care through the nursing facility reimbursement methodology. In the past three state fiscal years, more than 50% of the average Medicaid reimbursement rate is related to patient care.



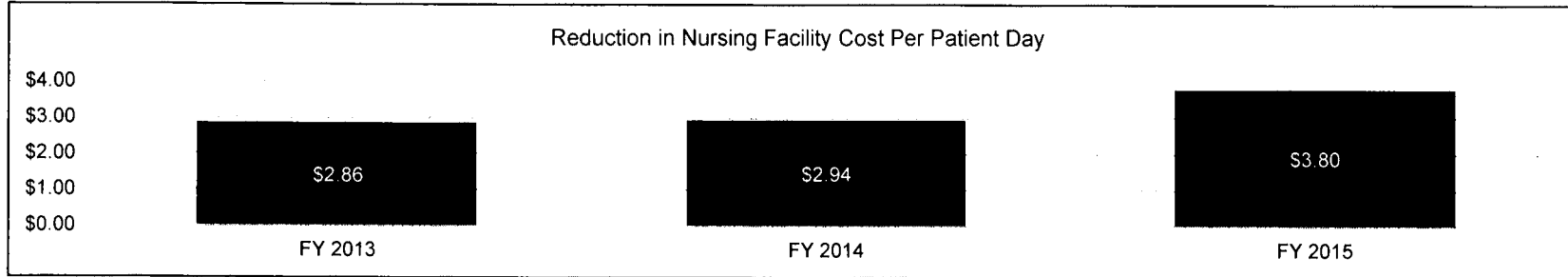
PROGRAM DESCRIPTION

Department: Social Services
Program Name: Nursing Facilities

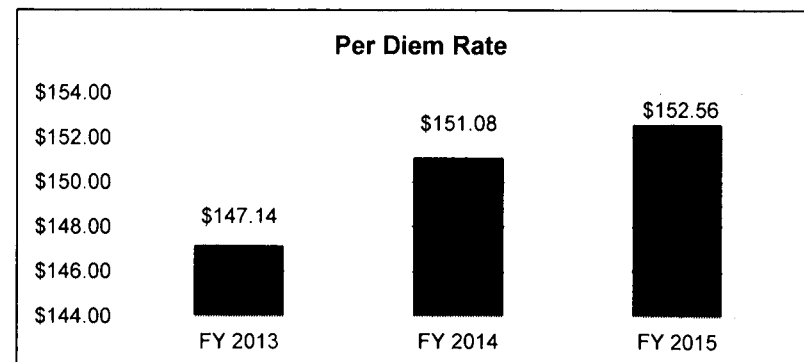
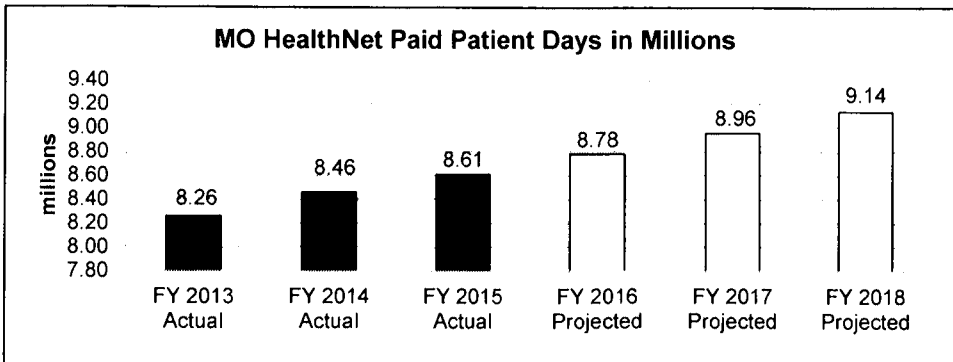
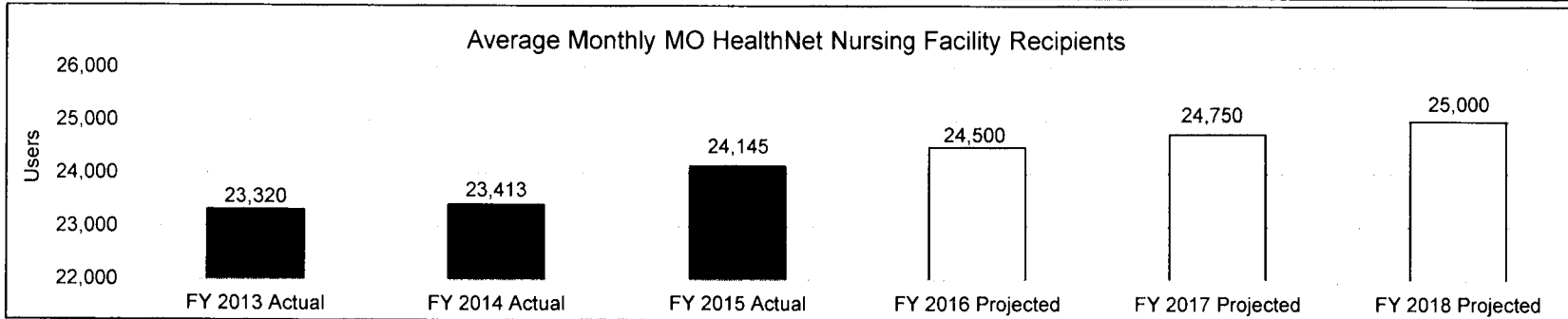
HB Section: 11.470

Program is found in the following core budget(s): Nursing Facilities

Ensure nursing facility costs included in determining MO HealthNet reimbursement are allowable by performing audits of the provider's cost reports. During the past three state fiscal years, an average of over \$3.10 of nursing facility costs per patient day were disallowed as a result of MHD audits.



7c. Provide the number of clients/individuals served, if applicable.



PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.470

Program Name: Nursing Facilities

Program is found in the following core budget(s): Nursing Facilities

7d. Provide a customer satisfaction measure, if available.

N/A

Home Health

DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
HOME HEALTH								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	2,863,153	0.00	2,445,442	0.00	2,445,442	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	5,148,490	0.00	4,550,056	0.00	4,550,056	0.00	0	0.00
HEALTH INITIATIVES	86,358	0.00	159,305	0.00	159,305	0.00	0	0.00
TAX AMNESTY FUND	0	0.00	30,674	0.00	30,674	0.00	0	0.00
TOTAL - PD	8,098,001	0.00	7,185,477	0.00	7,185,477	0.00	0	0.00
TOTAL	8,098,001	0.00	7,185,477	0.00	7,185,477	0.00	0	0.00
ABLE Accounts - 1886039								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	3,059	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	8,002	0.00	0	0.00
FEDERAL REIMBURSEMENT ALLOWANCE	0	0.00	0	0.00	1,576	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	12,637	0.00	0	0.00
TOTAL	0	0.00	0	0.00	12,637	0.00	0	0.00
GRAND TOTAL	\$8,098,001	0.00	\$7,185,477	0.00	\$7,198,114	0.00	\$0	0.00

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CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Home Health

Budget Unit: 90564C

1. CORE FINANCIAL SUMMARY

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	2,445,442	4,550,056	189,979	7,185,477
TRF				
Total	2,445,442	4,550,056	189,979	7,185,477

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Health Initiatives Fund (HIF) (0275)
Tax Amnesty Fund (0470)

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds

2. CORE DESCRIPTION

This core request is for on-going funding for payments for services provided through the Home Health program for the fee-for-service MO HealthNet population. This program is designed to help a MO HealthNet participants remain in their home instead of seeking institutional care. In those regions of the state where MO HealthNet Managed Care has been implemented, participants have Home Health services available through the MO HealthNet Managed Care health plans.

3. PROGRAM LISTING (list programs included in this core funding)

Home Health Services

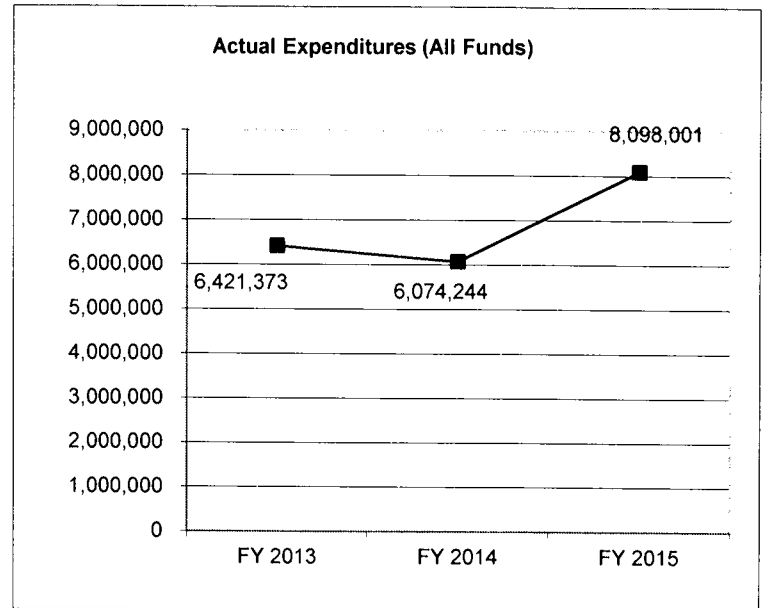
CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Home Health

Budget Unit: 90564C

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	7,369,496	6,463,900	8,170,948	7,185,477
Less Reverted (All Funds)	(4,779)	(4,779)	(4,779)	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	7,364,717	6,459,121	8,166,169	N/A
Actual Expenditures (All Funds)	6,421,373	6,074,244	8,098,001	N/A
Unexpended (All Funds)	91,995	943,344	0	N/A
Unexpended, by Fund:				
General Revenue	0	145,320	0	N/A
Federal	943,344	208,236	0	N/A
Other	0	31,321	68,168	N/A
		(1)	(2)	



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY14 Agency Reserve of \$31,321 Other Funds

(2) FY15 lapse of Health Initiatives Fund.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES HOME HEALTH

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	2,445,442	4,550,056	189,979	7,185,477	
	Total	0.00	2,445,442	4,550,056	189,979	7,185,477	
DEPARTMENT CORE REQUEST							
	PD	0.00	2,445,442	4,550,056	189,979	7,185,477	
	Total	0.00	2,445,442	4,550,056	189,979	7,185,477	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	2,445,442	4,550,056	189,979	7,185,477	
	Total	0.00	2,445,442	4,550,056	189,979	7,185,477	

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90564C BUDGET UNIT NAME: Home Health HOUSE BILL SECTION: 11.470	DEPARTMENT: Social Services DIVISION: MO HealthNet
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1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

DEPARTMENT REQUEST

	Core	% Flex Requested	Flex Requested Amount
<i>Total Program Request</i>	\$7,101,852	10%	\$710,185
	\$7,101,852	25%	\$1,775,463

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
None.	H.B. 11 language allows for up to 10% flexibility between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.485, 11.490, 11.505, 11.510, 11.550, 11.555, and 11.595 and 25% flexibility for use of this section for managed care.	10% flexibility between sections and 25% flexibility between FFS and Managed Care is being requested for FY 17.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
None.	Flexibility allows DSS to provide continued Medicaid benefits without an interruption in reimbursement to providers or partial payments.

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
HOME HEALTH								
CORE								
PROGRAM DISTRIBUTIONS	8,098,001	0.00	7,185,477	0.00	7,185,477	0.00	0	0.00
TOTAL - PD	8,098,001	0.00	7,185,477	0.00	7,185,477	0.00	0	0.00
GRAND TOTAL	\$8,098,001	0.00	\$7,185,477	0.00	\$7,185,477	0.00	\$0	0.00
GENERAL REVENUE	\$2,863,153	0.00	\$2,445,442	0.00	\$2,445,442	0.00		0.00
FEDERAL FUNDS	\$5,148,490	0.00	\$4,550,056	0.00	\$4,550,056	0.00		0.00
OTHER FUNDS	\$86,358	0.00	\$189,979	0.00	\$189,979	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.470

Program Name: Home Health

Program is found in the following core budget(s): Home Health

1. What does this program do?

Home health services primarily provide medically oriented treatment or supervision on an intermittent basis to individuals with an acute illness which can be therapeutically managed at home. Prior to October 1, 2010, individuals were required to be homebound to receive Home Health Program services. The homebound requirement was removed effective October 1, 2010. Home health care follows a written plan of treatment established and reviewed every 60 days by a physician. Services included in the home health benefit are skilled nursing; home health aide; physical, occupational and speech therapies. Supplies are also covered. Effective September 1, 2005, only participants who are eligible under aid categories for children, pregnant women, or blind individuals are eligible for physical, occupational and speech therapy provided through home health. Therapy is limited and must be reasonable and necessary for restoration to an optimal level of functioning following an injury or illness.

Home health services are reimbursed per visit. A visit is defined in part as a personal contact for a period of time not to exceed three hours in a client's home. Payment for the visit is the lower of the provider's actual billed charge or the state MO HealthNet agency established capped amount. The current MO HealthNet cap is \$77.16. Home health is a mandatory service added to the MO HealthNet program in July 1972. The program serves participants throughout the state.

Rate Change History:

- 07/01/05: \$1.97 rate increase to a cap rate of \$61.79
- 07/01/06: \$1.00 rate increase to a cap rate of \$62.79
- 07/01/07: \$0.48 rate increase to a cap rate of \$63.27
- 07/01/08: \$0.88 rate increase to a cap rate of \$64.15
- 07/01/15: \$13.01 rate increase to a cap rate of \$77.16
- 01/01/16: 3% increase funded with Tax Amnesty Fund

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152; Federal law: Social Security Act Section 1905(a)(24), 1905(a)(7) and 1915(c);

Federal Regulations: 42 CFR 440.170(f), 440.210, 440.130 and 440.180 and 460. Social Security Act Sections: 1894, 1905(a) and 1934

3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY16 is blended 63.323% federal match. The state matching requirement is 36.677%.

4. Is this a federally mandated program? If yes, please explain.

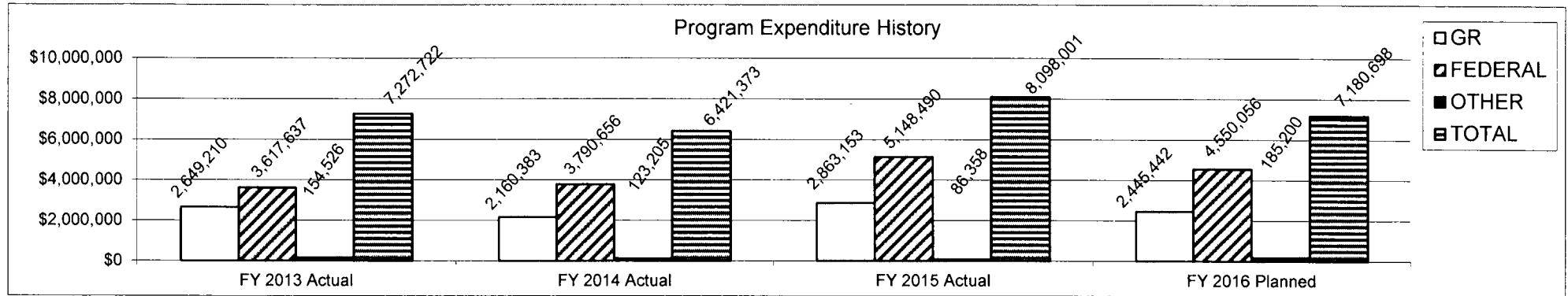
Home Health is a mandatory Medicaid program.

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Home Health
Program is found in the following core budget(s): Home Health

HB Section: 11.470

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



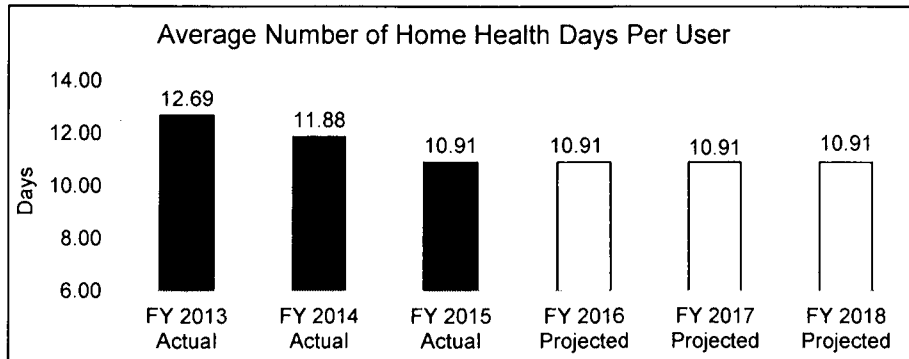
FY 2016 planned is net of reverted.

6. What are the sources of the "Other" funds?

Health Initiatives Fund (0275) and Tax Amnesty Fund (0470)

7a. Provide an effectiveness measure.

Home health plans are reviewed every 60 days. Providing health care at home is less costly than providing care in the hospital.



User Count by Number of Days

FY	0-60	61-90	91-120	121+	Total
2013 Actual	6,795	72	33	48	6,948
2014 Actual	6,425	59	24	24	6,532
2015 Actual	6,012	8	1	15	6,036
2016 Projected	6,012	8	1	15	6,036
2017 Projected	6,012	8	1	15	6,036
2018 Projected	6,012	8	1	15	6,036

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.470

Program Name: Home Health

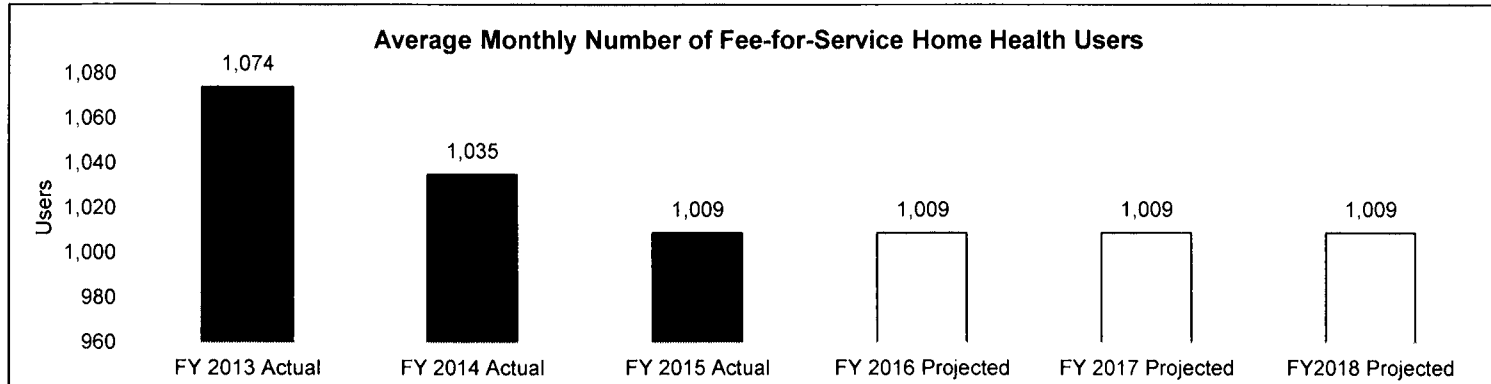
Program is found in the following core budget(s): Home Health

7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

Home Health skilled nurse visits and home health aid services are available to all MO HealthNet population.



7d. Provide a customer satisfaction measure, if available.

N/A

PACE

DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
PACE								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	2,531,934	0.00	2,979,470	0.00	2,979,470	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	4,416,247	0.00	5,127,145	0.00	5,127,145	0.00	0	0.00
TAX AMNESTY FUND	0	0.00	40,445	0.00	40,445	0.00	0	0.00
TOTAL - PD	6,948,181	0.00	8,147,060	0.00	8,147,060	0.00	0	0.00
TOTAL	6,948,181	0.00	8,147,060	0.00	8,147,060	0.00	0	0.00
MHD FY17 Cost to Continue - 1886001								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	50,165	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	173,156	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	223,321	0.00	0	0.00
TOTAL	0	0.00	0	0.00	223,321	0.00	0	0.00
GRAND TOTAL	\$6,948,181	0.00	\$8,147,060	0.00	\$8,370,381	0.00	\$0	0.00

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CORE DECISION ITEM

Department: Social Services	Budget Unit: 90568C
Division: MO HealthNet	
Core: Programs for All-Inclusive Care for the Elderly (PACE)	HB Section: 11.470

1. CORE FINANCIAL SUMMARY

FY 2017 Budget Request					FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS				
EE					EE				
PSD	2,979,470	5,127,145	40,445	8,147,060	PSD				0
TRF					TRF				
Total	2,979,470	5,127,145	40,445	8,147,060	Total	0	0	0	0
FTE				0.00	FTE				

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:
Tax Amnesty Fund (0470)

Other Funds:

2. CORE DESCRIPTION

This core request is for on-going funding for services provided through the PACE program. This program is designed to help a MO HealthNet participant remain in their home instead of seeking institutional care.

3. PROGRAM LISTING (list programs included in this core funding)

Programs for All-Inclusive Care for the Elderly (PACE)

CORE DECISION ITEM

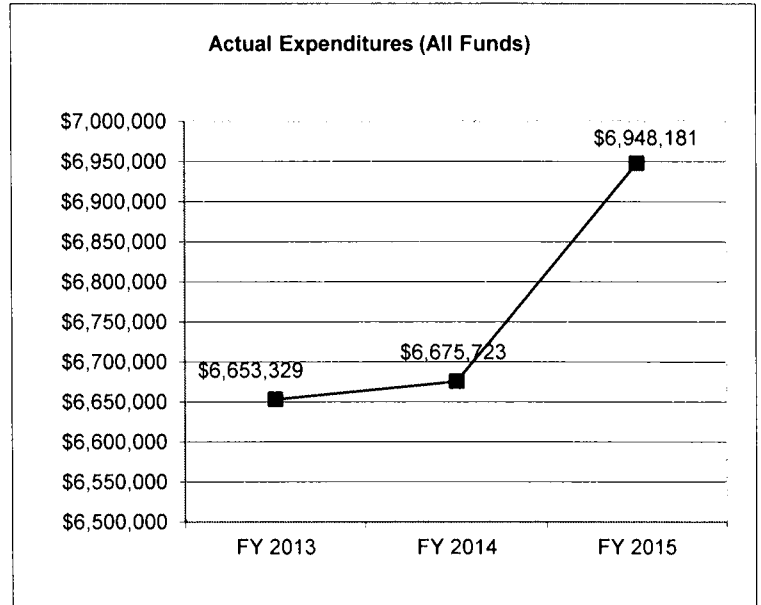
Department: Social Services
Division: MO HealthNet
Core: Programs for All-Inclusive Care for the Elderly (PACE)

Budget Unit: 90568C

HB Section: 11.470

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	6,875,723	6,675,723	6,948,181	8,147,060
Less Reverted (All Funds)	(200,000)	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	6,675,723	6,675,723	6,948,181	N/A
Actual Expenditures (All Funds)	6,653,329	6,675,723	6,948,181	N/A
Unexpended (All Funds)	22,394	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	22,394	0	0	N/A
Other	0	0	0	N/A



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES PACE

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	2,979,470	5,127,145	40,445	8,147,060	
	Total	0.00	2,979,470	5,127,145	40,445	8,147,060	
DEPARTMENT CORE REQUEST							
	PD	0.00	2,979,470	5,127,145	40,445	8,147,060	
	Total	0.00	2,979,470	5,127,145	40,445	8,147,060	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	2,979,470	5,127,145	40,445	8,147,060	
	Total	0.00	2,979,470	5,127,145	40,445	8,147,060	

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90568C BUDGET UNIT NAME: PACE HOUSE BILL SECTION: 11.470	DEPARTMENT: Social Services DIVISION: MO HealthNet
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1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

DEPARTMENT REQUEST

	Core	% Flex Requested	Flex Requested Amount
<i>Total Request</i>	\$11,535,570	10%	\$1,153,557
	\$11,535,570	25%	\$2,883,893

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
None.	H.B. 11 language allows for up to 10% flexibility between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.485, 11.490, 11.505, 11.510, 11.550, 11.555, and 11.595 and 25% flexibility for use of this section for managed care.	10% flexibility between sections and 25% flexibility between FFS and Managed Care is being requested for FY 17.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
None.	Flexibility allows DSS to provide continued Medicaid benefits without an interruption in reimbursement to providers or partial payments.

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
PACE								
CORE								
PROGRAM DISTRIBUTIONS	6,948,181	0.00	8,147,060	0.00	8,147,060	0.00	0	0.00
TOTAL - PD	6,948,181	0.00	8,147,060	0.00	8,147,060	0.00	0	0.00
GRAND TOTAL	\$6,948,181	0.00	\$8,147,060	0.00	\$8,147,060	0.00	\$0	0.00
GENERAL REVENUE	\$2,531,934	0.00	\$2,979,470	0.00	\$2,979,470	0.00		0.00
FEDERAL FUNDS	\$4,416,247	0.00	\$5,127,145	0.00	\$5,127,145	0.00		0.00
OTHER FUNDS	\$0	0.00	\$40,445	0.00	\$40,445	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.470

Program Name: Program of All Inclusive Care for the Elderly (PACE)

Program is found in the following core budget(s): PACE

1. What does this program do?

The goal of the PACE program is to maximize each participant's potential and continued residence in the home and community by providing preventive primary care and supports to the individual while in the home and community. The PACE program is intended to help the participant stay as independent as possible through a PACE organization which acts as the individual's sole source provider guaranteeing access to services. Funding was also received in FY16 to begin a PACE program in the Kansas City region. The Division is currently working to develop this program.

The PACE organization provides a full range of preventive, primary, acute, and long-term care services 24 hours per day, 7 days per week. The PACE Center is open Monday through Friday 8 AM to 5 PM to offer services on-site in an adult day health center setting. The PACE organization also provides in-home services as deemed necessary by the PACE Interdisciplinary Team (IDT). All medical services the individual requires while enrolled in the PACE program are the financial responsibility of the PACE provider.

PACE combines adult day settings, home care, interdisciplinary teams, transportation systems, and capitated payment systems so that providers can respond to the unique needs of each frail, elderly individual served.

The MO HealthNet Division is the state administering agency for the PACE program.

To be eligible to enroll in the PACE program, participants must be at least 55 years old, live in the PACE service area, have been certified by the Missouri Department of Health and Senior Services to have met the nursing home level of care of 21 points or higher, and be recommended by the PACE staff for PACE program services as the best option for their care.

At the time of enrollment, a participant must be able to live in a community setting without jeopardizing his or her health or safety.

Enrollment in the PACE program is always voluntary and participants have the option to return to the fee-for-service system at any time. Eligibility to enroll in the PACE program is not restricted to Medicare beneficiaries or MO HealthNet participants. A potential PACE enrollee may, but is not required to be entitled to Medicare Part A, enrolled under Medicare Part B, or eligible for MO HealthNet.

Rate Change History: FY 2012 \$750.00 per month per participant (effective January 1, 2012).

Attendance at the PACE center is determined by the interdisciplinary team and based on the needs and preferences of the participants. Some participants attend every day and some only 2-3 times per week. The PACE organization provides transportation to and from the PACE center each day the participant is scheduled to attend. Monthly rates for PACE are either a dual rate of \$2,812 for Medicaid/Medicare participants or a MO HealthNet only rate of \$4,284. On average 81% of participants are at the dual rate.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152 and 208.168; Federal Regulations: 42 CFR 460

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Program of All Inclusive Care for the Elderly (PACE)
Program is found in the following core budget(s): PACE

HB Section: 11.470

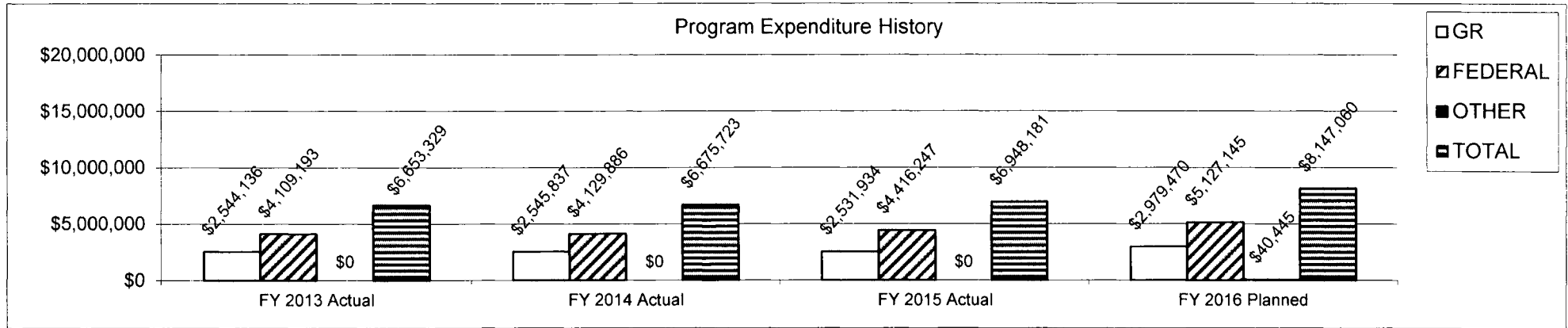
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY16 is blended 63.323% federal match. The state matching requirement is 36.677%

4. Is this a federally mandated program? If yes, please explain.

PACE is an optional program.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other" funds?

N/A

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.470

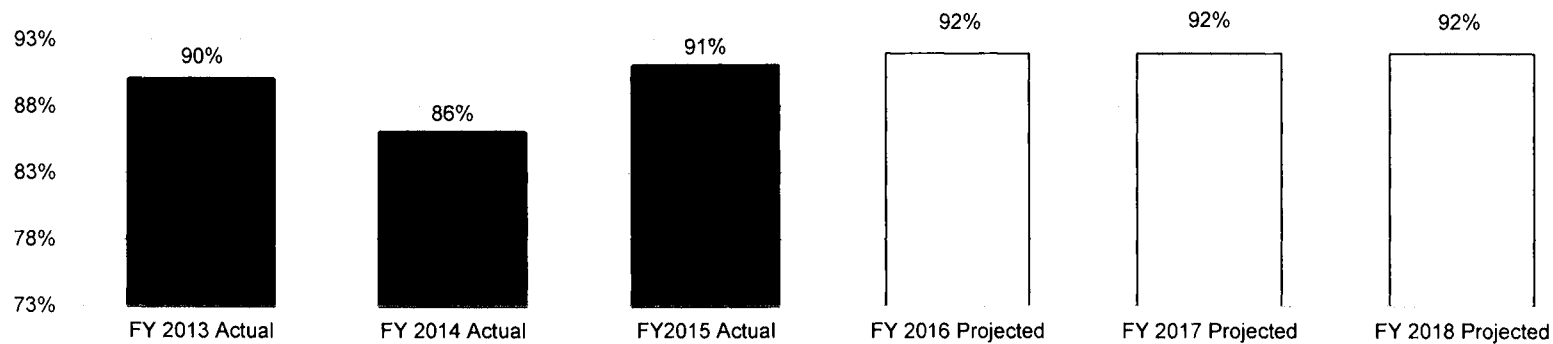
Program Name: Program of All Inclusive Care for the Elderly (PACE)

Program is found in the following core budget(s): PACE

7a. Provide an effectiveness measure.

PACE offers flu shots to all of their participants to protect their participants from the flu and the serious problems it creates for the frail elderly.

Percentage of PACE Participants Receiving Flu Shots



7b. Provide an efficiency measure.

The PACE program helps MO HealthNet participants remain in their homes instead of seeking institutional care under the fee-for-service program by helping them stay as independent as possible. While some PACE participants need to move into a nursing home, the participants remain enrolled in PACE, and the PACE provider is responsible for all services provided to these participants. A significant portion of PACE participants continue to live at home and receive services under the PACE program.

PACE Participants

SFY	Users	Reside in Nursing Facilities	Reside in Their Home	% Reside in Home
FY 2013 Actual	186	17	169	91%
FY 2014 Actual	192	18	174	91%
FY 2015 Actual	199	24	175	88%
FY 2016 Projected	200	25	175	83%
FY 2017 Projected	201	26	175	81%
FY 2018 Projected	202	27	175	80%

PROGRAM DESCRIPTION

Department: Social Services

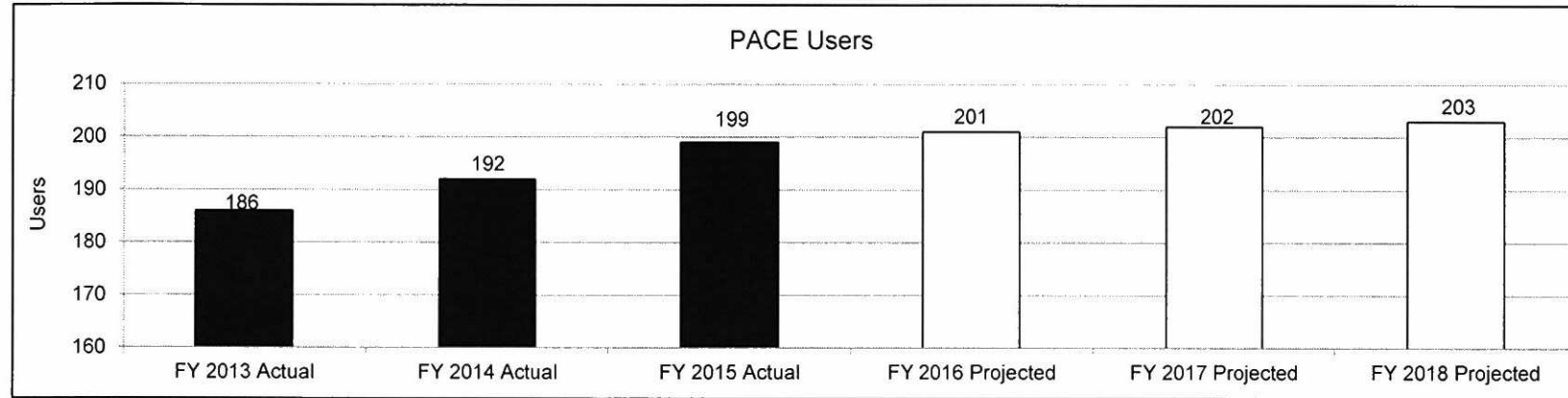
HB Section: 11.470

Program Name: Program of All Inclusive Care for the Elderly (PACE)

Program is found in the following core budget(s): PACE

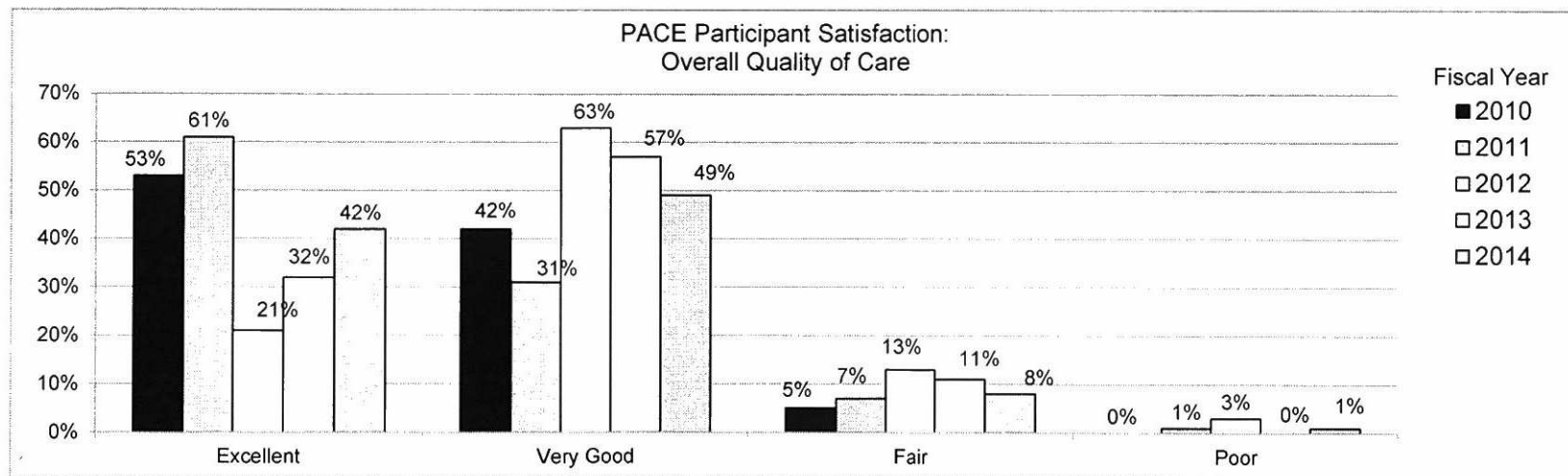
7c. Provide the number of clients/individuals served, if applicable.

Users include dual participants, MO HealthNet participants and Medicare-only participants.



7d. Provide a customer satisfaction measure, if available.

Alexian Brothers Community Services performs annual Participant Satisfaction Surveys.



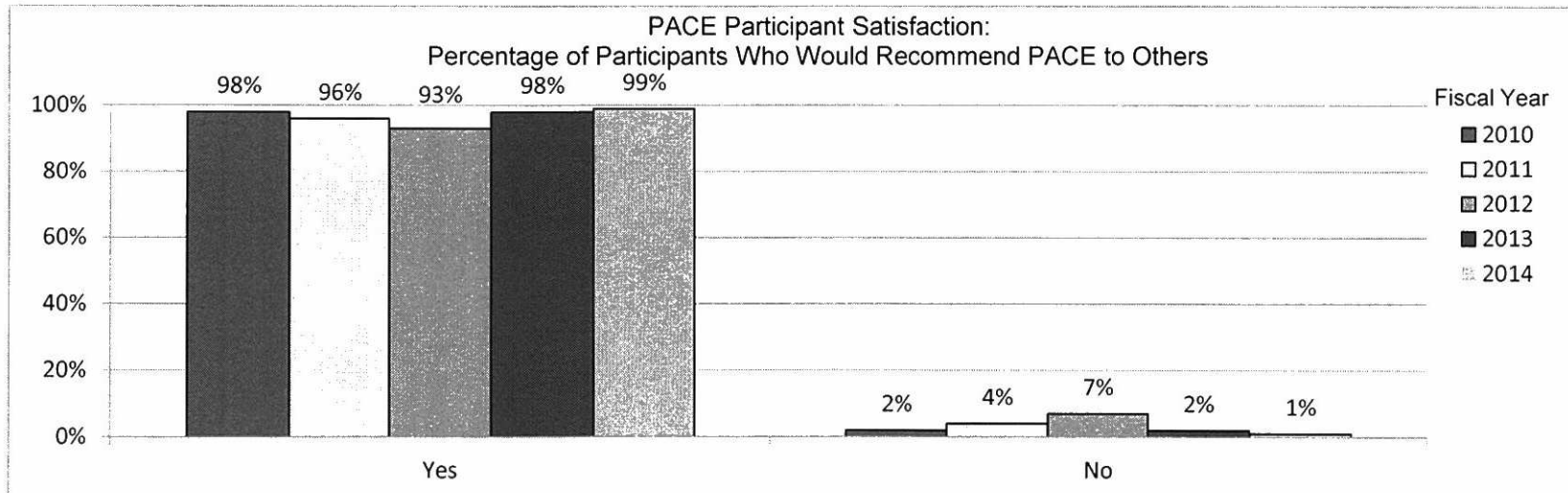
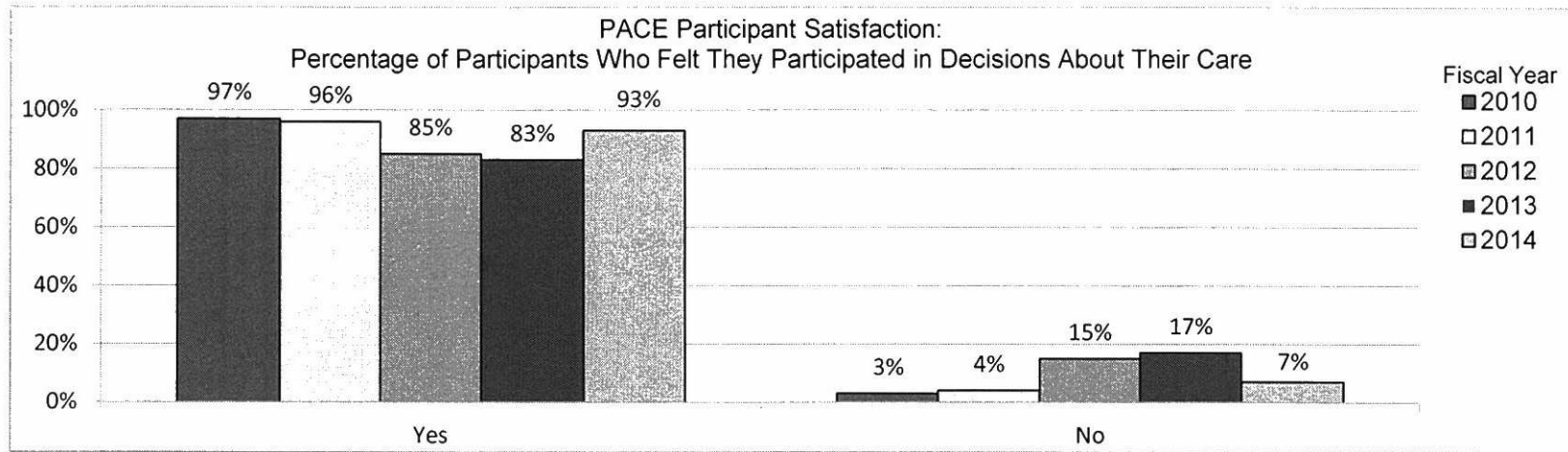
PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.470

Program Name: Program of All Inclusive Care for the Elderly (PACE)

Program is found in the following core budget(s): PACE



Long Term Support UPL Transfer

DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN	
LONG TERM SUPPORT UPL TRANSFER									
CORE									
FUND TRANSFERS									
LONG-TERM SUPPORT UPL	0	0.00	10,990,982	0.00	10,990,982	0.00	0	0.00	
TOTAL - TRF	0	0.00	10,990,982	0.00	10,990,982	0.00	0	0.00	
TOTAL	0	0.00	10,990,982	0.00	10,990,982	0.00	0	0.00	
GRAND TOTAL	\$0	0.00	\$10,990,982	0.00	\$10,990,982	0.00	\$0	0.00	

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CORE DECISION ITEM

Department: Social Services
 Division: MO HealthNet
 Core: Long Term Support UPL Transfer

Budget Unit 90545C
 HB Section: 11.475

1. CORE FINANCIAL SUMMARY

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF			10,990,982	10,990,982
Total			10,990,982	10,990,982
FTE				0.00

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds: Long Term Support UPL (0724)

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0
FTE				0.00

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds: Long Term Support UPL (0724)

2. CORE DESCRIPTION

Federal Medicaid regulation (42 CFR 433.51) allows state and local governmental units (including public providers) to transfer to the Medicaid agency the non-federal share of Medicaid payments. The amounts transferred are used as the state match to earn federal participation. These transfers allow the state to draw federal match for nursing facility care provided by public entities.

3. PROGRAM LISTING (list programs included in this core funding)

Long Term Support UPL

CORE DECISION ITEM

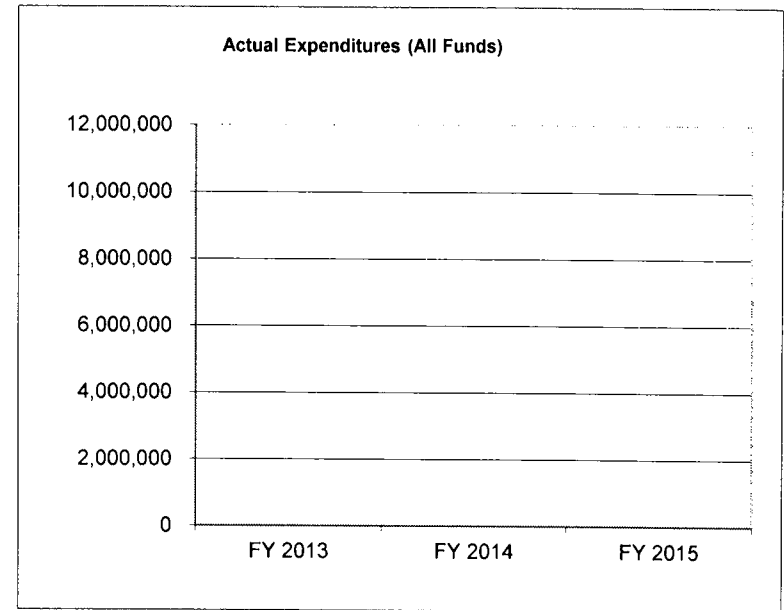
Department: Social Services
Division: MO HealthNet
Core: Long Term Support UPL Transfer

Budget Unit: 90545C

HB Section: 11.475

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	10,990,982	10,990,982	10,990,982	10,990,982
Less Reverted (All Funds)	0	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	10,990,982	10,990,982	10,990,982	N/A
Actual Expenditures (All Funds)	0	0	0	N/A
Unexpended (All Funds)	10,990,982	10,990,982	10,990,982	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	10990982	10,990,982	10,990,982	N/A
	(1)	(1)	(1)	



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) Transfer not utilized in FY13, FY14, FY15.

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
LONG TERM SUPPORT UPL TRANSFER**

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	TRF	0.00	0	0	10,990,982	10,990,982	
	Total	0.00	0	0	10,990,982	10,990,982	
DEPARTMENT CORE REQUEST							
	TRF	0.00	0	0	10,990,982	10,990,982	
	Total	0.00	0	0	10,990,982	10,990,982	
GOVERNOR'S RECOMMENDED CORE							
	TRF	0.00	0	0	10,990,982	10,990,982	
	Total	0.00	0	0	10,990,982	10,990,982	

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
LONG TERM SUPPORT UPL TRANSFER								
CORE								
TRANSFERS OUT	0	0.00	10,990,982	0.00	10,990,982	0.00	0	0.00
TOTAL - TRF	0	0.00	10,990,982	0.00	10,990,982	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$10,990,982	0.00	\$10,990,982	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$10,990,982	0.00	\$10,990,982	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.475

Program Name: Long Term Support UPL Transfer

Program is found in the following core budget(s): Long Term Support UPL Transfer

1. What does this program do?

This funding maximizes eligible state resources for federal Medicaid funds, utilizing current state and local funding sources as match for services. Federal Medicaid regulation (42 CFR 433.51) allows state and local governmental units (including public providers) to transfer to the Medicaid agency the non-federal share of Medicaid payments. The amounts transferred are used as the state share to earn federal Medicaid matching funds.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

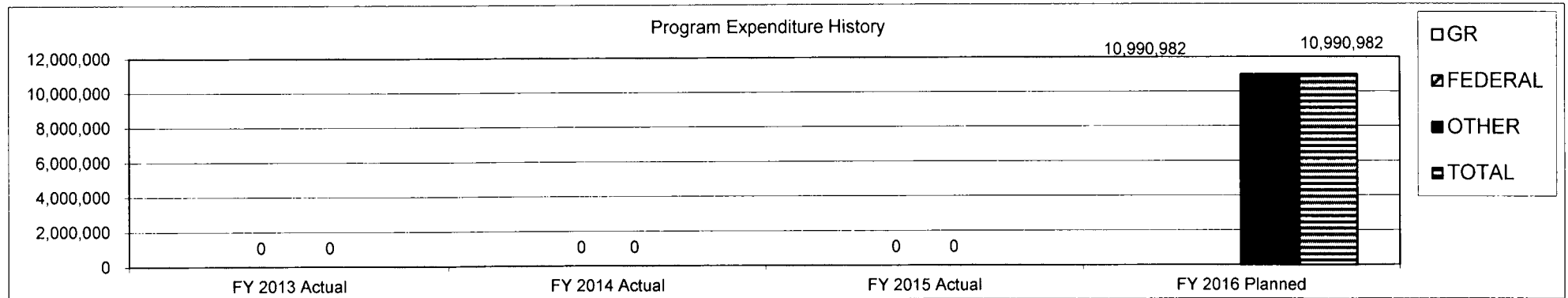
3. Are there federal matching requirements? If yes, please explain.

No.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.475

Program Name: Long Term Support UPL Transfer

Program is found in the following core budget(s): Long Term Support UPL Transfer

6. What are the sources of the "Other " funds?

Long Term Support UPL (0724)

7a. Provide an effectiveness measure.

These transfers allow the state to draw federal match for nursing facility provided by public entities. Measures for nursing facility services are included in the nursing facility section.

7b. Provide an efficiency measure.

These transfers allow the state to draw federal match for nursing facility provided by public entities. Measures for nursing facility services are included in the nursing facility section.

7c. Provide the number of clients/individuals served, if applicable.

These transfers allow the state to draw federal match for nursing facility provided by public entities. Measures for nursing facility services are included in the nursing facility section.

7d. Provide a customer satisfaction measure, if available.

These transfers allow the state to draw federal match for nursing facility provided by public entities. Measures for nursing facility services are included in the nursing facility section.

Long Term Support Payment

DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
LONG TERM SUPPORT PAYMENTS								
CORE								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	6,961,594	0.00	6,961,594	0.00	0	0.00
LONG-TERM SUPPORT UPL	0	0.00	3,989,174	0.00	3,989,174	0.00	0	0.00
TOTAL - PD	0	0.00	10,950,768	0.00	10,950,768	0.00	0	0.00
TOTAL	0	0.00	10,950,768	0.00	10,950,768	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$10,950,768	0.00	\$10,950,768	0.00	\$0	0.00

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CORE DECISION ITEM

Department: Social Services	Budget Unit: 90548C
Division: MO HealthNet	
Core: Long Term Support Payments	HB Section: 11.480

1. CORE FINANCIAL SUMMARY

FY 2017 Budget Request					FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS				
EE					EE				
PSD	0	6,961,594	3,989,174	10,950,768	PSD				0
TRF					TRF				
Total	0	6,961,594	3,989,174	10,950,768	Total	0	0	0	0
FTE				0.00	FTE				

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Long Term Support UPL (0724)

Other Funds:

2. CORE DESCRIPTION

This program provides a supplemental payment to qualifying public nursing facilities for their unreimbursed cost, subject to the upper payment limit.

3. PROGRAM LISTING (list programs included in this core funding)

Long Term Support Payments

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Long Term Support Payments

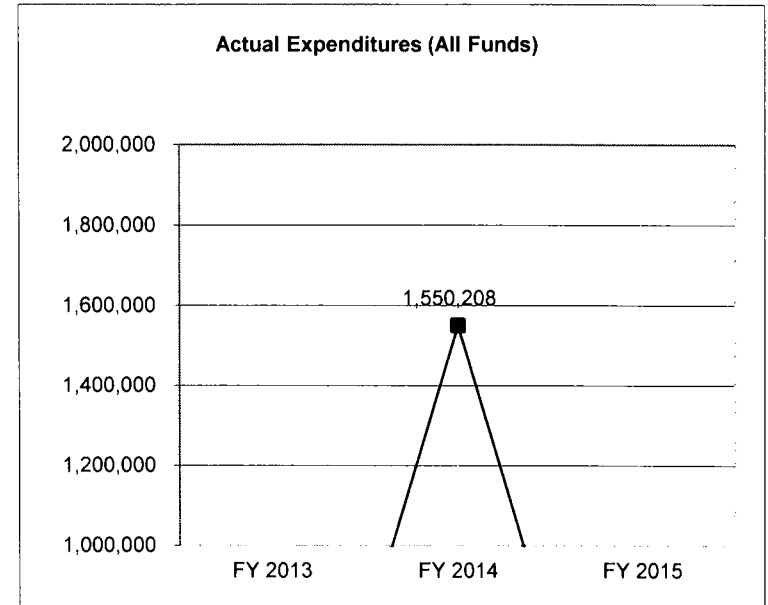
Budget Unit: 90548C

HB Section: 11.480

1. CORE FINANCIAL SUMMARY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	45,895,112	45,895,112	45,895,112	10,950,768
Less Reverted (All Funds)	0	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	45,895,112	45,895,112	45,895,112	N/A
Actual Expenditures (All Funds)	0	1,550,208	0	N/A
Unexpended (All Funds)	0	45,895,112	45,895,112	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	28,393,011	27,431,417	28,393,011	N/A
Other	17,502,101	16,913,487	17,502,101	N/A

(1)



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY13 Program was added

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES LONG TERM SUPPORT PAYMENTS

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	0	6,961,594	3,989,174	10,950,768	
	Total	0.00	0	6,961,594	3,989,174	10,950,768	
DEPARTMENT CORE REQUEST							
	PD	0.00	0	6,961,594	3,989,174	10,950,768	
	Total	0.00	0	6,961,594	3,989,174	10,950,768	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	0	6,961,594	3,989,174	10,950,768	
	Total	0.00	0	6,961,594	3,989,174	10,950,768	

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90548C BUDGET UNIT NAME: Long Term Support UPL HOUSE BILL SECTION: 11.480	DEPARTMENT: Social Services DIVISION: MO HealthNet
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1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

DEPARTMENT REQUEST			
	Core	% Flex Requested	Flex Requested Amount
<i>Total Program Request</i>	\$10,950,768	10%	\$1,095,077
	\$10,950,768	25%	\$2,737,692

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
None.	H.B. 11 language allows for up to 10% flexibility between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.485, 11.490, 11.505, 11.510, 11.550, 11.555, and 11.595 and 25% flexibility for use of this section for managed care.	10% flexibility between sections and 25% flexibility between FFS and Managed Care is being requested for FY 17.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
None.	Flexibility allows DSS to provide continued Medicaid benefits without an interruption in reimbursement to providers or partial payments.

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
LONG TERM SUPPORT PAYMENTS								
CORE								
PROGRAM DISTRIBUTIONS	0	0.00	10,950,768	0.00	10,950,768	0.00	0	0.00
TOTAL - PD	0	0.00	10,950,768	0.00	10,950,768	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$10,950,768	0.00	\$10,950,768	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$6,961,594	0.00	\$6,961,594	0.00		0.00
OTHER FUNDS	\$0	0.00	\$3,989,174	0.00	\$3,989,174	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.480

Program Name: Long Term Support Payments

Program is found in the following core budget(s): Long Term Support Payments

1. What does this program do?

This program provides a supplemental payment to qualifying public nursing facilities for their unreimbursed cost, subject to the upper payment limit.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: Federal Regulations: 42 CFR, 447.272

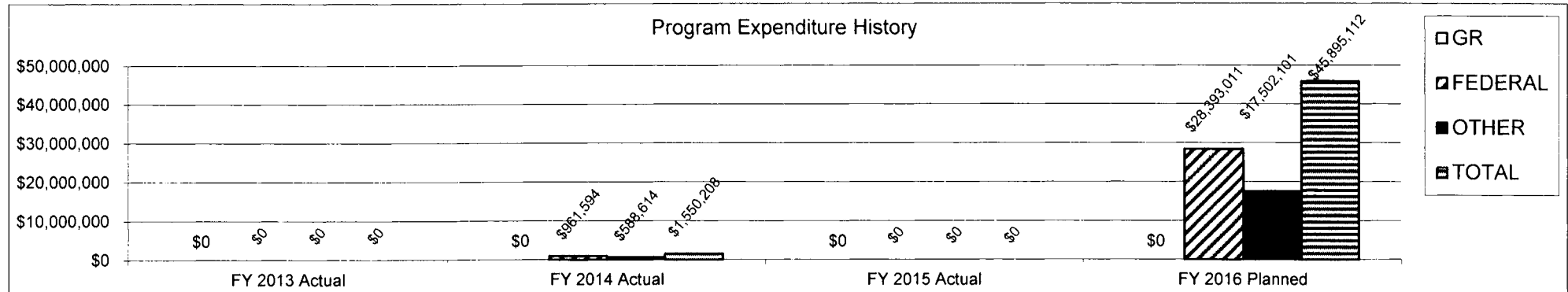
3. Are there federal matching requirements? If yes, please explain.

There will be federal matching requirements for allowable medicaid expenses.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



New program in FY 2013.

6. What are the sources of the "Other " funds?

Long Term Support UPL Fund (0724)

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.480

Program Name: Long Term Support Payments

Program is found in the following core budget(s): Long Term Support Payments

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A

Rehab & Specialty Services

DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
REHAB AND SPECIALTY SERVICES								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	525,247	0.00	844,334	0.00	844,334	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	88,218	0.00	844,000	0.00	844,000	0.00	0	0.00
AMBULANCE SERVICE REIMB ALLOW	125,000	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	738,465	0.00	1,688,334	0.00	1,688,334	0.00	0	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	81,128,170	0.00	70,403,515	0.00	70,403,515	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	148,180,583	0.00	149,506,936	0.00	149,506,936	0.00	0	0.00
NURSING FACILITY FED REIM ALLW	1,237,453	0.00	1,414,043	0.00	1,414,043	0.00	0	0.00
HEALTH INITIATIVES	189,035	0.00	194,881	0.00	194,881	0.00	0	0.00
TAX AMNESTY FUND	0	0.00	1,047,875	0.00	1,047,875	0.00	0	0.00
HEALTHY FAMILIES TRUST	831,745	0.00	831,745	0.00	831,745	0.00	0	0.00
AMBULANCE SERVICE REIMB ALLOW	21,397,747	0.00	21,522,747	0.00	21,522,747	0.00	0	0.00
TOTAL - PD	252,964,733	0.00	244,921,742	0.00	244,921,742	0.00	0	0.00
TOTAL	253,703,198	0.00	246,610,076	0.00	246,610,076	0.00	0	0.00
MHD FY17 Cost to Continue - 1886001								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	8,320,189	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	8,320,189	0.00	0	0.00
TOTAL	0	0.00	0	0.00	8,320,189	0.00	0	0.00
Hospice Rate Increase - 1886007								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	104,459	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	180,314	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	284,773	0.00	0	0.00
TOTAL	0	0.00	0	0.00	284,773	0.00	0	0.00
ABLE Accounts - 1886039								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	219,406	0.00	0	0.00

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DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN	
REHAB AND SPECIALTY SERVICES									
ABLE Accounts - 1886039									
PROGRAM-SPECIFIC									
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	573,948	0.00	0	0.00	
NURSING FACILITY FED REIM ALLW	0	0.00	0	0.00	113,027	0.00	0	0.00	
TOTAL - PD	0	0.00	0	0.00	906,381	0.00	0	0.00	
TOTAL	0	0.00	0	0.00	906,381	0.00	0	0.00	
GRAND TOTAL	\$253,703,198	0.00	\$246,610,076	0.00	\$256,121,419	0.00	\$0	0.00	

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CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Rehab and Specialty Services

Budget Unit: 90550C

HB Section: 11.485

1. CORE FINANCIAL SUMMARY

	FY 2017 Budget Request			
	GR	Federal	Other	Total
PS				
EE	844,334	844,000		1,688,334
PSD	70,403,515	149,506,936	25,011,291	244,921,742
TRF				
Total	71,247,849	150,350,936	25,011,291	246,610,076

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

	FY 2017 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Healthy Families Trust Fund (0625)
Health Initiatives Fund (HIF) (0275)
Nursing Facility Federal Reimbrsmnt Allwnce (NFFRA) (0196)
Ambulance Service Reimbursement Allowance (0958)
Tax Amnesty (0470)

2. CORE DESCRIPTION

Funding provides rehabilitation and specialty services for the fee-for-service MO HealthNet population. The services funded from this core include: audiology/hearing aid; optical; durable medical equipment (DME); ambulance; rehabilitation center; hospice; diabetes self-management training; and comprehensive day rehabilitation. In those regions of the state where MO HealthNet Managed Care has been implemented, participants have Rehab and Specialty services available through the MO HealthNet Managed Care health plans.

3. PROGRAM LISTING (list programs included in this core funding)

Rehabilitation and Specialty Services

CORE DECISION ITEM

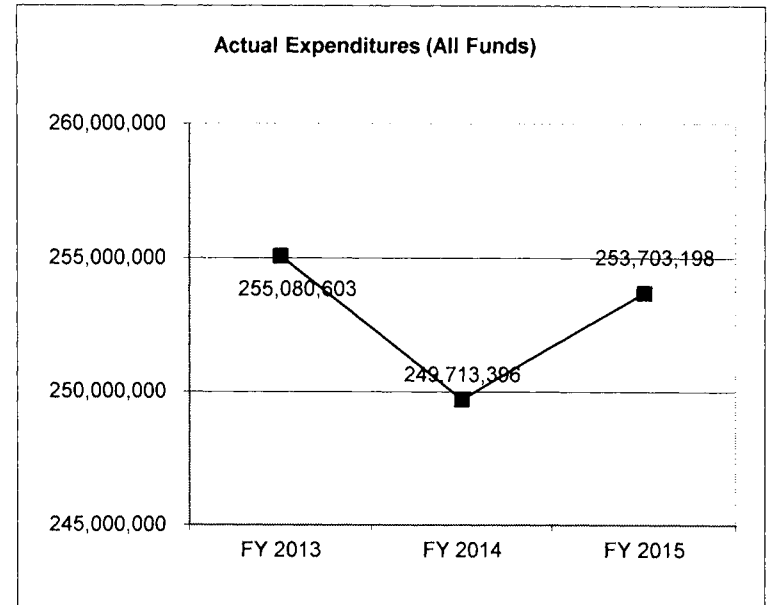
Department: Social Services
Division: MO HealthNet
Core: Rehab and Specialty Services

Budget Unit: 90550C

HB Section: 11.485

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	264,930,614	270,710,479	284,159,971	246,610,076
Less Reverted (All Funds)	(5,846)	(5,846)	(5,846)	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	264,924,768	264,924,768	284,154,125	N/A
Actual Expenditures (All Funds)	255,080,603	249,713,396	253,703,198	N/A
Unexpended (All Funds)	9,844,165	15,211,372	30,450,927	N/A
Unexpended, by Fund:				
General Revenue	0	37,187	59,098	N/A
Federal	9,844,165	19,354,534	30,215,239	N/A
Other	0	1,104,418	176,590	N/A
	(1)	(2)	(3)	



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY13 Estimated "E" appropriation for Ambulance Service Reimbursement Allowance removed in FY 2013. Supplemental increase of \$6,820,250 for Ambulance Services Reimbursement Allowance.

(2) FY14 Agency Reserve of \$17,342,559 Federal; \$574,328 Other Funds.

(3) FY15 \$12,780,114 (\$4,762,424 GR; \$8,017,690 Federal) was transferred to a new section - Complex Rehabilitation Technology.

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Rehab and Specialty Services

Budget Unit: 90550C

HB Section: 11.485

Cost Per Eligible - Per Member Per Month (PMPM)

	Rehab & Specialty PMPM	Acute Care PMPM	Total PMPM	Rehab & Specialty Percentage of Acute	Rehab & Specialty Percentage of Total
PTD	\$64.14	\$1,074.20	\$1,961.17	5.97%	3.27%
Seniors	\$103.55	\$368.96	\$1,565.89	28.07%	6.61%
Custodial Parents	\$5.73	\$473.61	\$507.28	1.21%	1.13%
Children*	\$3.03	\$274.18	\$303.51	1.11%	1.00%
Pregnant Women	\$6.50	\$657.06	\$671.28	0.99%	0.97%

Source: Table 23 Medical Statistics for FY 15. (Paid Claims Data)

* CHIP eligibles not included

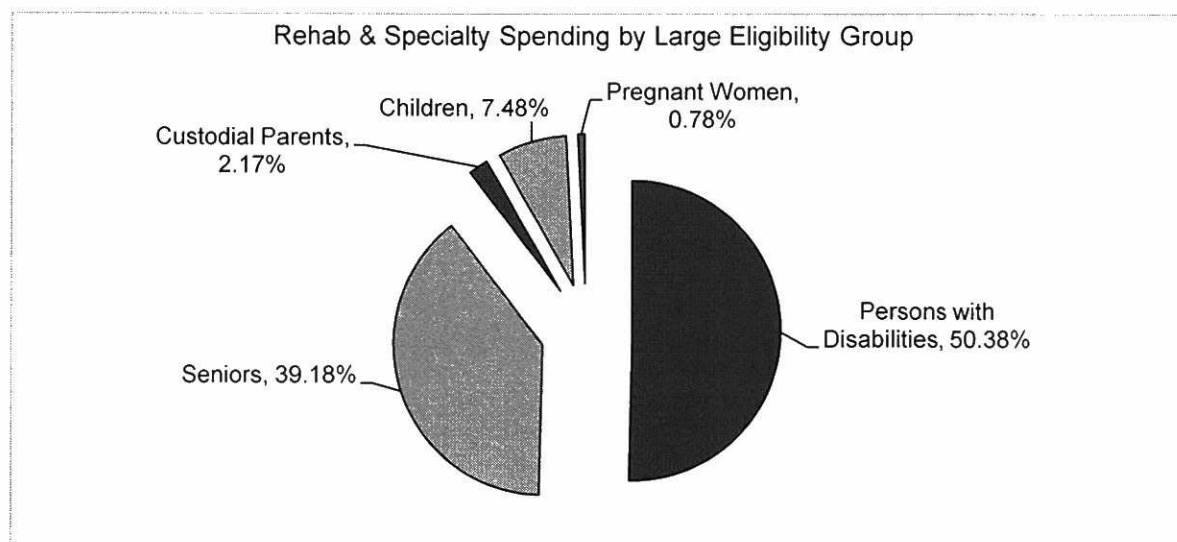
The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MO HealthNet (MHD) management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for rehab services, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, drugs, managed care payments, Medicare co-pay/deductibles and other acute services administered by MHD. It does not include nursing facilities, in-home services, mental health services and state institutions. By comparing the rehab and specialty PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for rehab and specialty services. It provides a snapshot of what eligibility groups are receiving the services, as well as the populations impacted by program changes.



Source: Table 23 Medical Statistics for FY 15. (Paid Claims Data)

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES REHAB AND SPECIALTY SERVICES

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	844,334	844,000	0	1,688,334	
	PD	0.00	70,403,515	149,506,936	25,011,291	244,921,742	
	Total	0.00	71,247,849	150,350,936	25,011,291	246,610,076	
DEPARTMENT CORE REQUEST							
	EE	0.00	844,334	844,000	0	1,688,334	
	PD	0.00	70,403,515	149,506,936	25,011,291	244,921,742	
	Total	0.00	71,247,849	150,350,936	25,011,291	246,610,076	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	844,334	844,000	0	1,688,334	
	PD	0.00	70,403,515	149,506,936	25,011,291	244,921,742	
	Total	0.00	71,247,849	150,350,936	25,011,291	246,610,076	

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90550C BUDGET UNIT NAME: Rehab & Specialty HOUSE BILL SECTION: 11.485	DEPARTMENT: Social Services DIVISION: MO HealthNet
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1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

DEPARTMENT REQUEST

	Core	% Flex Requested	Flex Requested Amount
<i>Total Program Request</i>	\$243,753,184	10%	\$24,375,318
	\$243,753,184	25%	\$60,938,296

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
None.	H.B. 11 language allows for up to 10% flexibility between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.485, 11.490, 11.505, 11.510, 11.550, 11.555, and 11.595 and 25% flexibility for use of this section for managed care.	10% flexibility between sections and 25% flexibility between FFS and Managed Care is being requested for FY 17.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
None.	Flexibility allows DSS to provide continued Medicaid benefits without an interruption in reimbursement to providers or partial payments.

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
REHAB AND SPECIALTY SERVICES								
CORE								
PROFESSIONAL SERVICES	660,143	0.00	1,688,334	0.00	1,688,334	0.00	0	0.00
MISCELLANEOUS EXPENSES	78,322	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	738,465	0.00	1,688,334	0.00	1,688,334	0.00	0	0.00
PROGRAM DISTRIBUTIONS	252,964,733	0.00	244,921,742	0.00	244,921,742	0.00	0	0.00
TOTAL - PD	252,964,733	0.00	244,921,742	0.00	244,921,742	0.00	0	0.00
GRAND TOTAL	\$253,703,198	0.00	\$246,610,076	0.00	\$246,610,076	0.00	\$0	0.00
GENERAL REVENUE	\$81,653,417	0.00	\$71,247,849	0.00	\$71,247,849	0.00		0.00
FEDERAL FUNDS	\$148,268,801	0.00	\$150,350,936	0.00	\$150,350,936	0.00		0.00
OTHER FUNDS	\$23,780,980	0.00	\$25,011,291	0.00	\$25,011,291	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.485

Program Name: Rehab and Specialty Services

Program is found in the following core budget(s): Rehab and Specialty Services

1. What does this program do?

Provides payment for audiology, optometric, durable medical equipment, ambulance, rehabilitation centers, hospice, comprehensive day rehabilitation and diabetes self-management training for MO HealthNet participants. Unless otherwise noted, the rehabilitation and specialty services are covered only for participants who are under the age of 21, pregnant women, blind persons, or nursing facility residents (including ICF/IDD).

Audiology/Hearing Aid

This program is intended only to provide hearing aids and related covered services. Prior to August 28, 2005, all MO HealthNet participants were eligible for Hearing Aid Program benefits. Effective August 28, 2005, persons eligible for reimbursement of the MO HealthNet Hearing Aid Program services only include eligible needy children, persons receiving MO HealthNet benefits under a category of assistance for pregnant women, the blind and nursing facility residents (including ICF/IDD). Covered services include: audiological testing, hearing aids, ear molds, hearing aid fitting, hearing aid dispensing/evaluation, post-fitting evaluation, post-fitting adjustments, and hearing aid repairs. All hearing aids and related services must have prior approval except audiometric testing, post-fitting evaluation, post-fitting adjustment, and repairs to hearing aids no longer under warranty. An audiologist consultant gives prior authorization for the claims.

A participant is entitled to one new hearing aid and related services every four years. However, services for children under the Early and Periodic Screening, Diagnostic and Treatment for healthy children and youth (EPSDT/HCY) program are determined to be whatever is medically necessary. The EPSDT claims are reviewed by the consultant only if rejected by the computer system. A copay is charged for a small portion of the cost of services and is applied to individuals age 19 and over with a few exceptions (foster care children and institutional residents).

Optical

The MO HealthNet Optical Program covers the following types of providers and services: (1) Optometrists - eye examinations, eyeglasses, artificial eyes, and special ophthalmological services; (2) Physicians - eyeglasses, artificial eyes (physician must be enrolled in the Optical program in order to bill for these services); and (3) Opticians - eyeglasses and artificial eyes.

As of June 15, 2009, the MO HealthNet Division (MHD) requires pre-certification for optical services provided to MO HealthNet fee-for-service participants through MHD's web tool, CyberAccessSM.

Participants who are age 20 and under or who are pregnant, blind, or in a nursing facility (including ICF/IDD) are eligible for an eye exam every twelve months. MO HealthNet participants age 21 and over are eligible for an eye exam every twenty-four months. Participants may be eligible for eye exams within the stated time periods if the participant has a .50 diopter change in one or both eyes. MO HealthNet eligible participants are allowed one pair of complete eye glasses every two years. Participants that have a .50 diopter change within the stated time periods may be eligible to receive a new lens. Copays are applied to individuals age 19 and over with the exceptions of foster care children and institutional residents. An optometrist is used as a consultant for this program. The consultant reviews prescriptions that do not meet the program criteria.

Prior to August 28, 2005, all participants, children and adults, were eligible for an eye exam every twelve months and frames and lenses every twenty-four months. Effective August 28, 2005, coverage of frames and lenses for adults (except those in a category of assistance for the blind or pregnant or those residing in a nursing home--including ICF/IDD) was eliminated, and coverage of eye exams were decreased to once every twenty-four months. Services related to trauma or treatment of disease/medical conditions remained covered. Effective July 1, 2006, coverage of frames and lenses was reinstated for adults.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.485

Program Name: Rehab and Specialty Services

Program is found in the following core budget(s): Rehab and Specialty Services

Rate Change History:

- 07/03/08: \$10.00 rate increase to eight exam codes.

Durable Medical Equipment (DME)

MO HealthNet reimburses qualified participating DME providers for certain items of durable medical equipment such as: prosthetics; oxygen and respiratory care equipment; ostomy supplies; wheelchairs; wheelchair accessories; labor and repair codes. These items must be for use in the participant's home when ordered in writing by the participant's physician or nurse practitioner.

The following items are covered for MO HealthNet participants: apnea monitors; artificial larynx and related items; augmentative communications devices; canes; crutches; commodes; bed pans; adult incontinence briefs; urinals; CPAP devices; decubitus care equipment; hospital beds; side rails; humidifiers; BiPAP machines; IPPB machines; insulin pumps and supplies; labor and repair codes; nebulizers; orthotics; ostomy supplies; oxygen and respiratory equipment; patient lifts and trapeze; prosthetics; scooters; suction pumps; total parenteral nutrition mix; supplies and equipment; wheelchairs; wheelchair accessories and walkers. Although an item is classified as DME, it may not be covered in every instance. MO HealthNet reimbursement is only available if the item is reasonable and necessary for treatment of an illness or injury, or to improve the functioning of a malformed or permanently inoperative body part; meets the definition of durable medical equipment or prosthesis; and is used in the participant's home.

Even though a DME item may serve some useful medical purpose, consideration must be given by the physician and the DME supplier to what extent, if any, it is reasonable for MO HealthNet to pay for the item as opposed to another realistically feasible alternative pattern of care. Consideration should also be given by the physician and the DME provider as to whether the item serves essentially the same purpose as equipment already available to the participant. If two different items each meet the need of the participant, the less expensive item must be employed with all other conditions being equal. Equipment features of an aesthetic or medical nature which are not medically necessary are not reimbursable.

Effective August 28, 2005, coverage of the following items was eliminated for adults except for those in a category of assistance for the blind or pregnant and those residing in a nursing home (including ICF/IDD): apnea monitors; artificial larynx and related items; augmentative communication devices; canes and crutches; commodes, bed pans and urinals; CPAP devices; decubitus care equipment; hospital beds and side rails; humidifiers; respiratory assist devices; IPPB machines; nebulizers; orthotics; patient lifts and trapeze; scooters; suction pumps; total parenteral nutrition mix, supplies and equipment; walkers; wheelchair accessories, labor and repair codes. On July 1, 2006 coverage of wheelchair accessories, labor, and supplies was reinstated for adults. Effective March 2, 2007 coverage for adults for all other items eliminated August 28, 2005 was reinstated.

Rate Change History:

- 04/15/10: Decrease rates to 100% of the 01/01/09 Medicare fee schedule; manually priced wheelchairs and accessories decreased to 80% of Manufacturers Suggested Retail Price (MSRP) for manual and custom wheelchairs and 85% of MSRP for power wheelchairs; revised requirements for eligibility for nursing home wheelchairs to decrease costs
- 08/12/10: Decrease rates for all services except complex rehab item to 96.5% of the 01/01/10 Medicare fee schedule; oxygen reimbursement methodology revised to increase reimbursement of portable systems and decrease reimbursement of stationary systems

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.485

Program Name: Rehab and Specialty Services

Program is found in the following core budget(s): Rehab and Specialty Services

Ambulance

Emergency medical transportation is provided under the ambulance program. Ambulance services are covered if they are emergency services and transportation is made to the nearest appropriate hospital. Certain specified non-emergency but medically necessary ambulance transports are also covered. Reimbursement is provided for the base charge (the lesser of the MO HealthNet maximum allowed amount or billed charge) for patient pick-up and transportation to destination mileage, and ancillary services related to emergency situations. Ambulance services can be provided through ground or air transportation (helicopter/fixed wing) if medically necessary. All MO HealthNet participants are eligible for ambulance services.

Rehabilitation Center

The rehabilitation center program pays for adaptive training of MO HealthNet participants who have prosthetic/orthotic devices. Covered services include: comprehensive evaluation; stump conditioning; prosthetic training; orthotic training; speech therapy for artificial larynx; and occupational therapy related to the prosthetic/orthotic adaption. These procedures are covered by MO HealthNet even when the prosthetic/orthotic service was not provided through the MO HealthNet program. Since August 28, 2005 these services are covered only for children under the age of 21 and adults in a category of assistance for the blind or pregnant and for adults residing in a skilled nursing facility (including ICF/IDD).

In addition to adaptive training services, medically necessary physical, occupational and speech therapy services are covered for children under the age of 21 through the Rehabilitation Center Program.

Evaluation and training for an augmentative communication device is covered through the Rehabilitation Center Program. Augmentative communication devices and accessories are covered through the Durable Medical Equipment Program.

Hospice

The hospice benefit is designed to meet the needs of patients with a life-limiting illness and to help their families cope with the problems and feelings related to this difficult time. Reimbursement is limited to qualified MO HealthNet enrolled hospice providers rendering services to terminally ill patients who have elected hospice benefits. After the participant elects hospice services, the hospice provides for all care, supplies, equipment, and medicines related to the terminal illness. MO HealthNet reimburses the hospice provider who then reimburses the provider of the services if the services are not provided by the hospice provider. However, due to federal regulations, on or after April 1, 2010, MO HealthNet hospice services for a child (ages 0-20) may be concurrent with the care related to the curative treatment of the child's condition for which a diagnosis of a terminal illness has been made.

MO HealthNet reimburses for routine home care, continuous home care, general inpatient, inpatient respite, and nursing home room and board, if necessary. Hospice rates are authorized by Section 1814 (I)(1)(C)(ii) of the Social Security Act and provide for an annual increase in the payment rates for hospice care services. The MO HealthNet rates are calculated based on the annual hospice rates established by Medicare. In addition, the Social Security Act also provides for an annual increase in the hospice cap amounts. Nursing home room and board is reimbursed to the hospice provider at 95% of the nursing home rate on file. The hospice is responsible for paying the nursing home. All MO HealthNet participants are eligible for hospice services.

The hospice program has a rate change every year. The Medicaid hospice payment rates are calculated based on the annual hospice rates established under Medicare. These rates are authorized by section 1814(i)(1)(C)(ii) of the Social Security Act (the Act) which also provides for an annual increase in payment rates for hospice care services. Rates for hospice physician services are not increased under this provision.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.485

Program Name: Rehab and Specialty Services

Program is found in the following core budget(s): Rehab and Specialty Services

Comprehensive Day Rehabilitation

This program covers services for certain persons with disabling impairments as the result of a traumatic head injury. It provides intensive, comprehensive services designed to prevent and/or minimize chronic disabilities while restoring the individual to an optimal level of physical, cognitive, and behavioral function within the context of the person, family, and community.

The program emphasizes functional living skills, adaptive strategies for cognitive, memory or perceptual deficits, and appropriate interpersonal skills. These services help to train individuals so that the person can leave the rehabilitation center and re-enter society. Services are designed to maintain and improve the participant's ability to function as independently as possible in the community. Services for this program must be provided in a free-standing rehabilitation center or in an acute hospital setting with space dedicated to head injury rehabilitation. Eligibility for this program is limited to individuals who are under the age of 21, pregnant women, blind persons or nursing home residents. These individuals must receive prior authorization from the MO HealthNet Division. Reimbursement is made for either a full day or a half day of services.

In 2005, Senate Bill 539 eliminated certain optional Medicaid services for individuals age 21 and over. Comprehensive Day Rehabilitation was eliminated for all adults age 21 or older except for those who are under a category of assistance for blind, pregnant women or nursing home care. The program is still available for children under the age of 21. No rate changes have occurred in the past 10 years.

Clinical Management Services Program (CMSP)

Through a contract with Xerox (formerly ACS-Heritage), MHD operates an innovative electronic web-based clinical editing process for its point-of-sale pharmacy and medical claims, medical and drug prior authorization, and Drug Utilization Review (DUR) processes including optical, DME and psychology services.

The current CMSP claim processing system allows each claim/authorization request to be referenced against the participant's claims history including pharmacy, medical, and procedural data (ICD-9 and CPT codes), providing real time data to participating MO HealthNet providers. For patients that meet approval criteria, the claim/authorization request will be paid automatically. In instances when a phone call is necessary, the hotline call center is available seven days a week, which allows providers prompt access to a paid claim for the requested product or service. In addition to receiving messages regarding the outcome of the processing of claims and the amount to be reimbursed, pharmacy providers receive prospective drug use review alert messages at the time prescriptions are dispensed.

The contract with Xerox utilizes their CyberAccessSM tool to create integrated patient profiles containing prescription information, as well as patient diagnoses and procedure codes for a running 24 months of history. CyberAccessSM provides participant claim history profiles (updated daily) identifying all drugs, procedures, related diagnoses, and provider orders using claims paid by MHD for a rolling 36 month period. It also provides three years of point of sale (POS) pharmacy claims refreshed every ten (10) minutes.

Children's Residential Treatment

MHD currently pays for children's residential treatment services. These services cover children who are status offenders and children who have been abused or neglected and/or have emotional or psychological difficulties requiring treatment in a residential environment. There are various levels of residential services available to these youth and children, depending on specific needs. Two basic federal funding streams partially fund residential treatment: Title IV-E and Title XIX. Types of residential care include emergency, levels 2-4, family-focused/aftercare, infant/toddler, maternity and maternity with infant. In addition, for a select number of children with severe behavioral health needs, residential treatment services include an integrated delivery system managed by specialized care management organizations (CMOs).

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.485

Program Name: Rehab and Specialty Services

Program is found in the following core budget(s): Rehab and Specialty Services

Residential contractors provide room and board, supervision, and therapeutic rehabilitative services to children within their programs. Rehabilitative services are necessary to address the behavioral needs of children and transition them to Community-Based settings through rehabilitative planning, evaluation and service delivery. Children who receive such services have completed a Childhood Severity of Psychiatric Illness (CSPI) assessment to establish eligibility. A portion of children and youth are served through residential placement not because of behavioral needs, but because they are in need of emergency placement, or are young women in need of maternity and infant care.

The residential contracts allow the Department to maintain compliance with federal requirements; strengthen Medicaid rehab claiming protocols; and maintain compliance with the federal district court order to base room and board reimbursements on cost-base methodology.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152; Federal law: Social Security Act Section 1905(a)(12) and (18), 1905(o); Federal regulation: 42 CFR 410.40, 418, 431.53, 440.60, 440.120, 440.130 and 440.170.

3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY16 is blended at a 63.323% federal match. The state matching requirement is 36.677%.

4. Is this a federally mandated program? If yes, please explain.

This program is not mandatory for adults but is mandatory for children.

PROGRAM DESCRIPTION

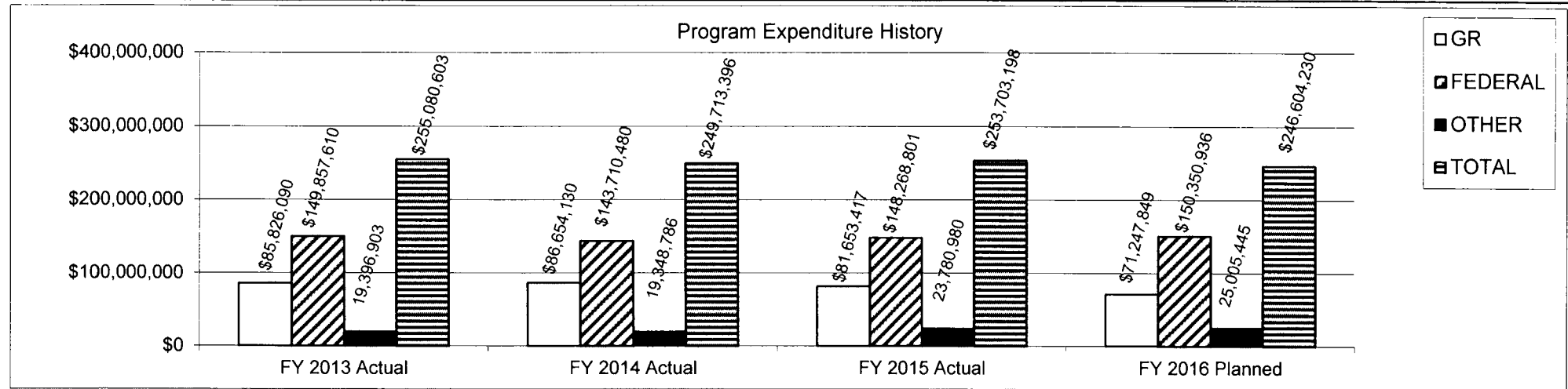
Department: Social Services

HB Section: 11.485

Program Name: Rehab and Specialty Services

Program is found in the following core budget(s): Rehab and Specialty Services

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY 2016 planned is net of reverted and reserved.

6. What are the sources of the "Other" funds?

Health Initiatives Fund (0275), Healthy Families Trust Fund (0625), Nursing Facility Federal Reimbursement Allowance (0196), Ambulance Service Reimbursement Allowance Fund (0958), and Tax Amnesty Fund (0470).

PROGRAM DESCRIPTION

Department: Social Services

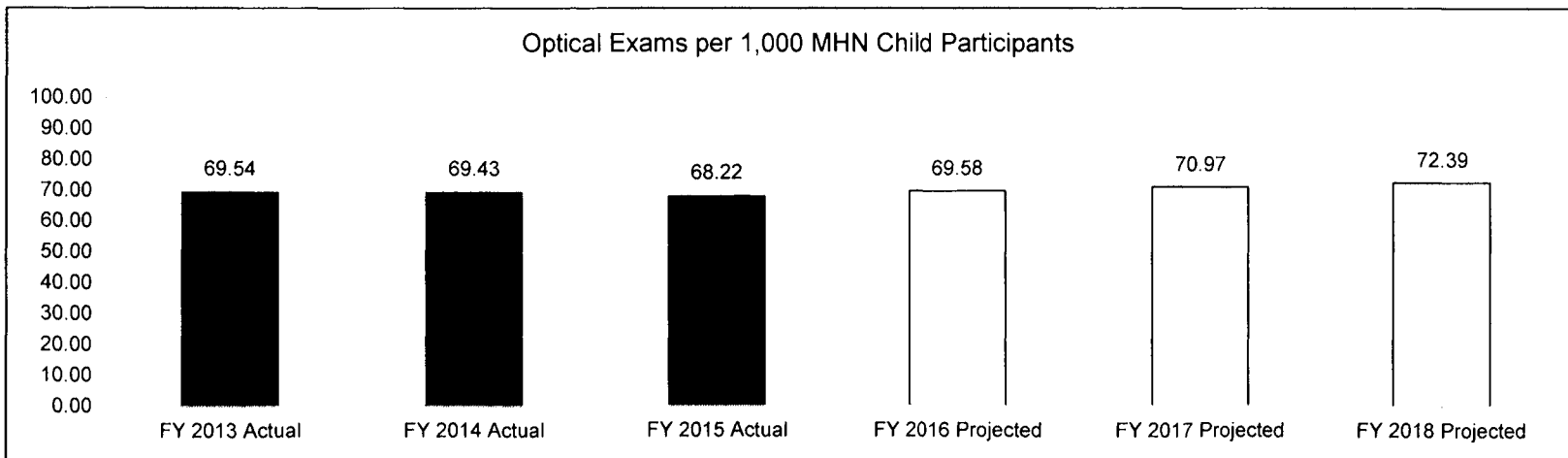
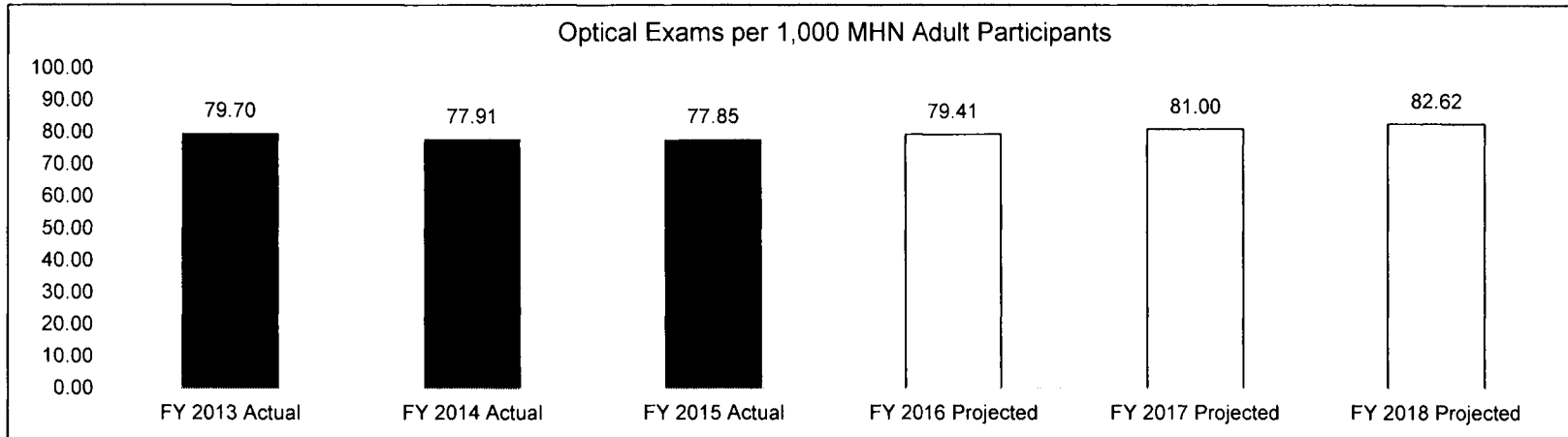
HB Section: 11.485

Program Name: Rehab and Specialty Services

Program is found in the following core budget(s): Rehab and Specialty Services

7a. Provide an effectiveness measure.

Provide optical exams to MO HealthNet eligibles. Children and adults who are pregnant, blind, or in a nursing facility (including ICF/IDD) are eligible for an eye exam every twelve months. All other adults are eligible for one eye exam every twenty-four months. In state fiscal year 2015, there were over 77 optical examinations for every 1,000 adults, and over 68 optical examinations for every 1,000 children.



7b. Provide an efficiency measure.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.485

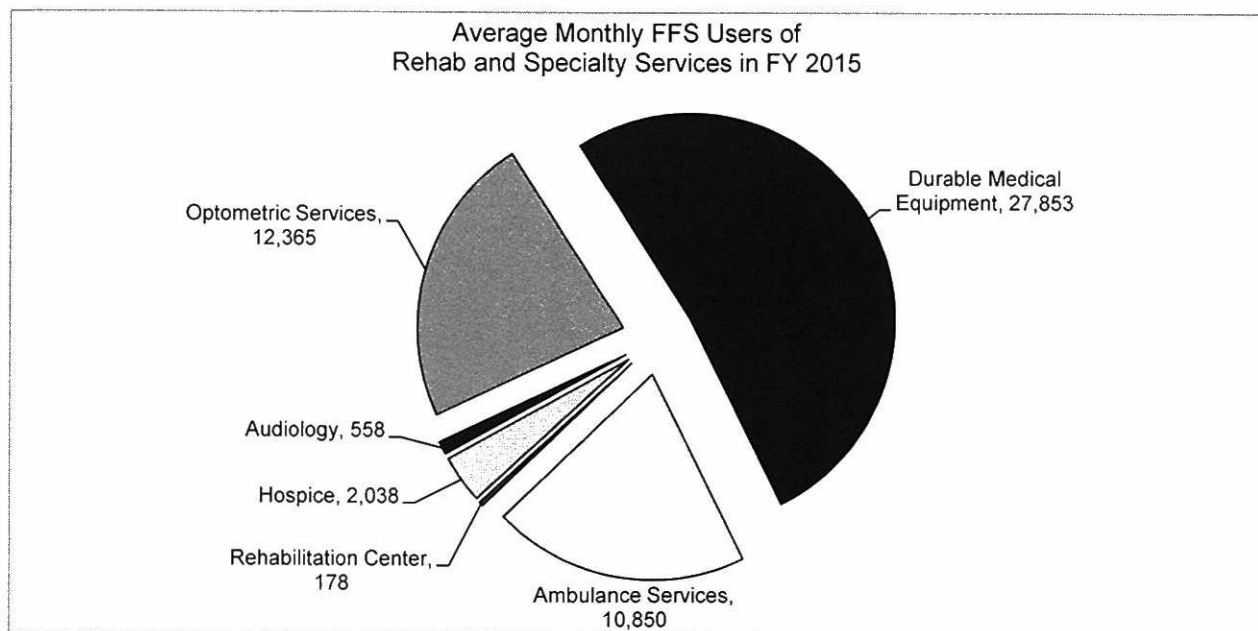
Program Name: Rehab and Specialty Services

Program is found in the following core budget(s): Rehab and Specialty Services

N/A

7c. Provide the number of clients/individuals served, if applicable.

In regions of the state with access to MO HealthNet Managed Care, rehab and specialty services are available through the MO HealthNet Managed Care health plans for those populations enrolled in Managed Care.



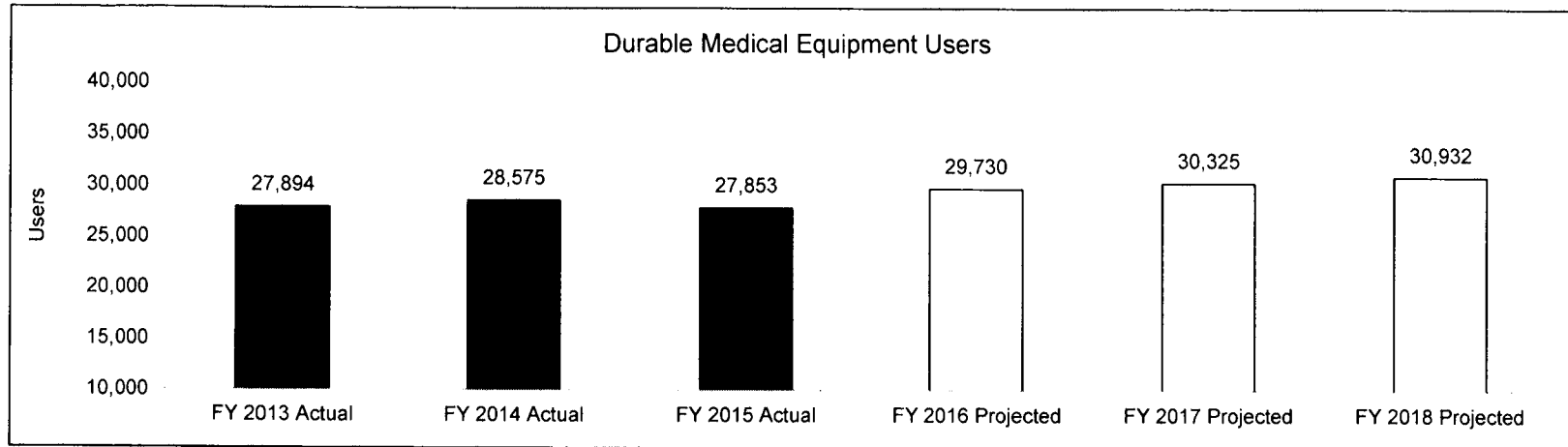
PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.485

Program Name: Rehab and Specialty Services

Program is found in the following core budget(s): Rehab and Specialty Services



7d. Provide a customer satisfaction measure, if available.

N/A

NEW DECISION ITEM

RANK: 18 OF: 29

Department: Social Services
 Division: MO HealthNet
 DI Name: Hospice Rate Increase

Budget Unit: 90550C
 DI#: 1886007

1. AMOUNT OF REQUEST

	FY 2017 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	104,459	180,205		284,664
TRF				
Total	104,459	180,205		284,664
FTE				0.00

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

	FY 2017 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0
FTE				0.00

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

<input checked="" type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input checked="" type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input checked="" type="checkbox"/> Other: Inflation	

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funding is needed to apply the annual hospice rate increase as established by Medicare.

The MO HealthNet hospice rates are calculated based on the annual hospice rates established under Medicare, Section 1814(j)(1)(ii). The Act provides for an annual increase in payment rates for hospice care services.

NEW DECISION ITEM

RANK: 18 OF: 29

Department: Social Services
Division: MO HealthNet
DI Name: Hospice Rate Increase

Budget Unit: 90550C
DI#: 1886007

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of

MO HealthNet reimbursement for hospice care is made at one of four predetermined rates for each day in which an individual is under the care of the hospice. The four levels of care are routine home care, continuous home care, inpatient respite care, or general inpatient care. The rate paid for any day may vary, depending on the level of care furnished. Payment rates are adjusted for regional differences in wages.

An increase of 1.80% is requested. An increase of 4.98% was applied to actual FFY 15 units to arrive at the FFY 17 projected units of service. The projected units of service was multiplied by the projected increase in rates to arrive at the total need.

Hospice rates are adjusted in October which is the beginning of the federal fiscal year and is three months into the state's fiscal year. This request includes the three months of FFY 16 that fall within SFY 17 - estimated impact of \$64,307. The twelve-month estimated increase for the FFY 17 rate adjustment is \$293,954. This total is then multiplied by 9/12 to arrive at the SFY 17 impact of \$220,466. The total request for SFY 17 is \$284,773 (3 months totaling \$64,307 plus 9 months totaling \$220,466).

	Total	GR	Federal
July 2016 through Sept. 2016 Inc.	64,307	23,504	40,803
Oct. 2016 through June 2017 Inc.	220,466	80,955	139,511
Total	\$284,773	\$104,459	\$180,314

FMAP 63.45% Quarter 1 (July through September)
FMAP 63.28% Quarters 2-4 (October through June)

NEW DECISION ITEM

RANK:

18

OF:

29

Department: Social Services
 Division: MO HealthNet
 DI Name: Hospice Rate Increase

Budget Unit: 90550C

DI#: 1886007

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	104,459		180,314		0		284,773		
Total PSD	104,459		180,314		0		284,773		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	104,459	0.0	180,314	0.0	0	0.0	284,773	0.0	0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions									
Total PSD	0		0		0		0		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0

RANK: 18 **NEW DECISION ITEM OF: 29**
Department: Social Services **Budget Unit: 90550C**
Division: MO HealthNet
DI Name: Hospice Rate Increase **DI#: 1886007**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

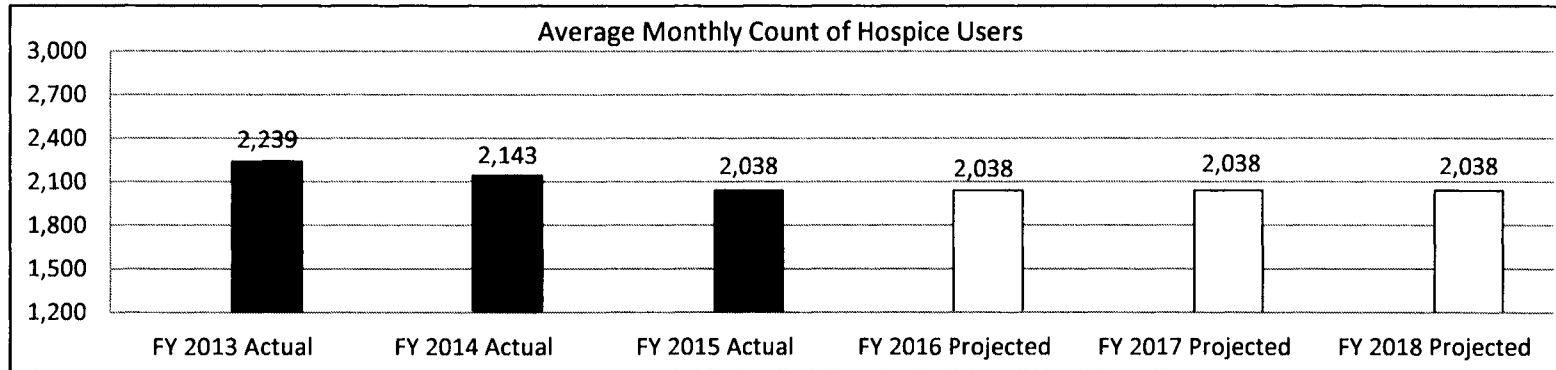
6a. Provide an effectiveness measure.

N/A

6b. Provide an efficiency measure.

N/A

6c. Provide the number of clients/individuals served, if applicable.



6d. Provide a customer satisfaction measure, if available.

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
REHAB AND SPECIALTY SERVICES								
Hospice Rate Increase - 1886007								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	284,773	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	284,773	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$284,773	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$104,459	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$180,314	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

NEMT

DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN	
NON-EMERGENCY TRANSPORT									
CORE									
PROGRAM-SPECIFIC									
GENERAL REVENUE	12,384,474	0.00	9,139,515	0.00	8,642,106	0.00	0	0.00	
TITLE XIX-FEDERAL AND OTHER	26,148,420	0.00	30,330,779	0.00	29,472,000	0.00	0	0.00	
TOTAL - PD	38,532,894	0.00	39,470,294	0.00	38,114,106	0.00	0	0.00	
TOTAL	38,532,894	0.00	39,470,294	0.00	38,114,106	0.00	0	0.00	
MHD FY17 Cost to Continue - 1886001									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	4,353,603	0.00	0	0.00	
TOTAL - PD	0	0.00	0	0.00	4,353,603	0.00	0	0.00	
TOTAL	0	0.00	0	0.00	4,353,603	0.00	0	0.00	
NEMT Actuarial Rate Increase - 1886008									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	1,044,289	0.00	0	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	1,802,970	0.00	0	0.00	
TOTAL - PD	0	0.00	0	0.00	2,847,259	0.00	0	0.00	
TOTAL	0	0.00	0	0.00	2,847,259	0.00	0	0.00	
GRAND TOTAL	\$38,532,894	0.00	\$39,470,294	0.00	\$45,314,968	0.00	\$0	0.00	

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CORE DECISION ITEM

Department: Social Services
 Division: MO HealthNet
 Core: Non-Emergency Medical Transportation (NEMT)

Budget Unit: 90561C
 HB Section: 11.485

1. CORE FINANCIAL SUMMARY

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	8,642,106	29,472,000		38,114,106
TRF				
Total	8,642,106	29,472,000		38,114,106
FTE				0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0
FTE				0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

2. CORE DESCRIPTION

This core request is to provide funding for payments for non-emergency medical transportation.

3. PROGRAM LISTING (list programs included in this core funding)

Non-Emergency Medical Transportation (NEMT)

CORE DECISION ITEM

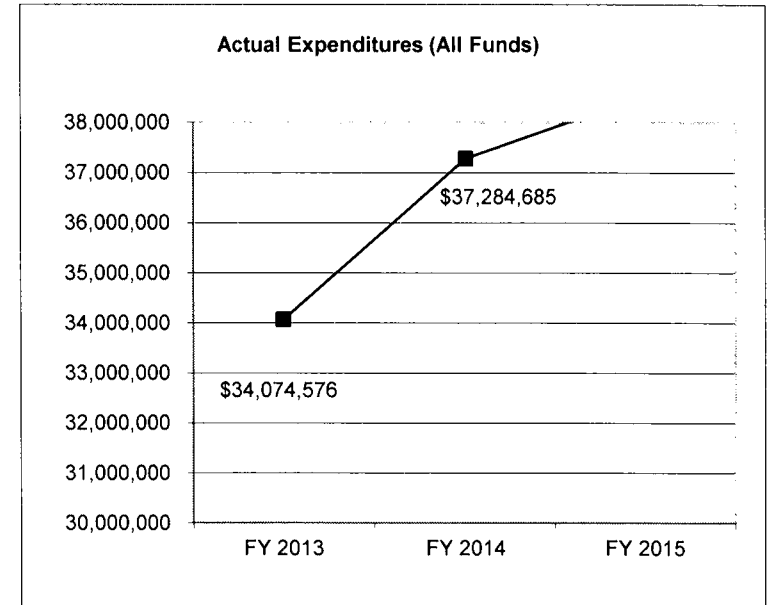
Department: Social Services
Division: MO HealthNet
Core: Non-Emergency Medical Transportation (NEMT)

Budget Unit: 90561C

HB Section: 11.485

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	36,843,494	41,455,931	40,925,194	39,470,294
Less Reverted (All Funds)	0	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	36,843,494	41,455,931	40,925,194	N/A
Actual Expenditures (All Funds)	34,074,576	37,284,685	38,532,894	N/A
Unexpended (All Funds)	2,768,918	4,171,246	2,392,300	N/A
Unexpended, by Fund:				
General Revenue	0	633,019	0	N/A
Federal	2,768,918	3,538,227	2,392,300	N/A
Other	0	0	0	N/A



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY13 Expenditures of \$28,506 were paid from the Supplemental Pool

(2) FY14 Agency Reserve of \$530,737 GR and \$868,018 Federal Funds.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES NON-EMERGENCY TRANSPORT

5. CORE RECONCILIATION DETAIL

				Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES				PD	0.00	9,139,515	30,330,779	0	39,470,294	
				Total	0.00	9,139,515	30,330,779	0	39,470,294	
DEPARTMENT CORE ADJUSTMENTS										
Core Reduction	258	5929	PD	0.00		0	(858,779)	0	(858,779)	Core reduction due to implementation of statewide managed care.
Core Reduction	258	5928	PD	0.00		(497,409)	0	0	(497,409)	Core reduction due to implementation of statewide managed care.
NET DEPARTMENT CHANGES					0.00	(497,409)	(858,779)	0	(1,356,188)	
DEPARTMENT CORE REQUEST										
			PD	0.00		8,642,106	29,472,000	0	38,114,106	
			Total	0.00		8,642,106	29,472,000	0	38,114,106	
GOVERNOR'S RECOMMENDED CORE										
			PD	0.00		8,642,106	29,472,000	0	38,114,106	
			Total	0.00		8,642,106	29,472,000	0	38,114,106	

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90561C BUDGET UNIT NAME: NEMT HOUSE BILL SECTION: 11.485	DEPARTMENT: Social Services DIVISION: MO HealthNet
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1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

DEPARTMENT REQUEST

	Core	% Flex Requested	Flex Requested Amount
<i>Total Program Request</i>	\$33,010,194	10%	\$3,301,019
	\$33,010,194	25%	\$8,252,549

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
None.	H.B. 11 language allows for up to 10% flexibility between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.485, 11.490, 11.505, 11.510, 11.550, 11.555, and 11.595 and 25% flexibility for use of this section for managed care.	10% flexibility between sections and 25% flexibility between FFS and Managed Care is being requested for FY 17.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
None.	Flexibility allows DSS to provide continued Medicaid benefits without an interruption in reimbursement to providers or partial payments.

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
NON-EMERGENCY TRANSPORT								
CORE								
PROGRAM DISTRIBUTIONS	38,532,894	0.00	39,470,294	0.00	38,114,106	0.00	0	0.00
TOTAL - PD	38,532,894	0.00	39,470,294	0.00	38,114,106	0.00	0	0.00
GRAND TOTAL	\$38,532,894	0.00	\$39,470,294	0.00	\$38,114,106	0.00	\$0	0.00
GENERAL REVENUE	\$12,384,474	0.00	\$9,139,515	0.00	\$8,642,106	0.00		0.00
FEDERAL FUNDS	\$26,148,420	0.00	\$30,330,779	0.00	\$29,472,000	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.485

Program Name: Non-Emergency Medical Transportation (NEMT)

Program is found in the following core budget(s): Non-Emergency Medical Transportation (NEMT)

1. What does this program do?

The lack of transportation to needed MO HealthNet services is a barrier to improving participant health; therefore, the purpose of the NEMT program is to ensure non-emergency medical transportation to MO HealthNet participants who do not have access to free appropriate transportation (e.g. free community resources or other free programs) to scheduled MO HealthNet covered services. Missouri's program utilizes and builds on existing transportation networks in the state to provide the participant with the most appropriate mode of transportation.

As of November 2005, the service is provided as a direct state plan service. The state contracts with a statewide broker and pays monthly capitation payments for each NEMT participant based on which of the four regions of the state in which the participant resides. Logisticare is has been Missouri's NEMT broker contract initially awarded effective since July 1, 2013. through June 30, 2014. The contract is currently extended through June 30, 2016.

Where appropriate and possible, the MO HealthNet Division enters into cooperative agreements to provide matching MO HealthNet funds for state and local general revenue already being used to transport MO HealthNet participants to medical services. Participants are required to use public entity transportation when available. When they do so, the payments are made to public entities on a per trip basis. By working with existing governmental entities and established transportation providers, NEMT is provided in a cost-effective manner and governmental agencies are able to meet the needs of their constituency.

The MO HealthNet Division works with state and local agencies to provide federal matching funds for general revenue used for NEMT services including: the Children's Division for children in state care and custody, the Department of Mental Health, public school districts, St. Louis Metro Call-A-Ride, Kansas City Area Transit Authority, the City of Columbia, City Utilities of Springfield, and the City of Jefferson.

NEMT PMPM Based on Participant* and Region

Region	FY 16 PMPM Rate (awarded bid)
ABD St. Louis Area	\$10.82
ABD Kansas City Area	\$8.31
ABD Rest of State	\$14.09
MAFCPW Statewide	\$0.75

Updated Rates should be available around Aug 31, 2015

*Participants- Age, Blind and Disabled (ABD); Medical Assistance for Families, Children and Pregnant Women (MAFCPW)

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, Federal regulation: 42 CFR 431.53 and 440.170

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.485

Program Name: Non-Emergency Medical Transportation (NEMT)

Program is found in the following core budget(s): Non-Emergency Medical Transportation (NEMT)

3. Are there federal matching requirements? If yes, please explain.

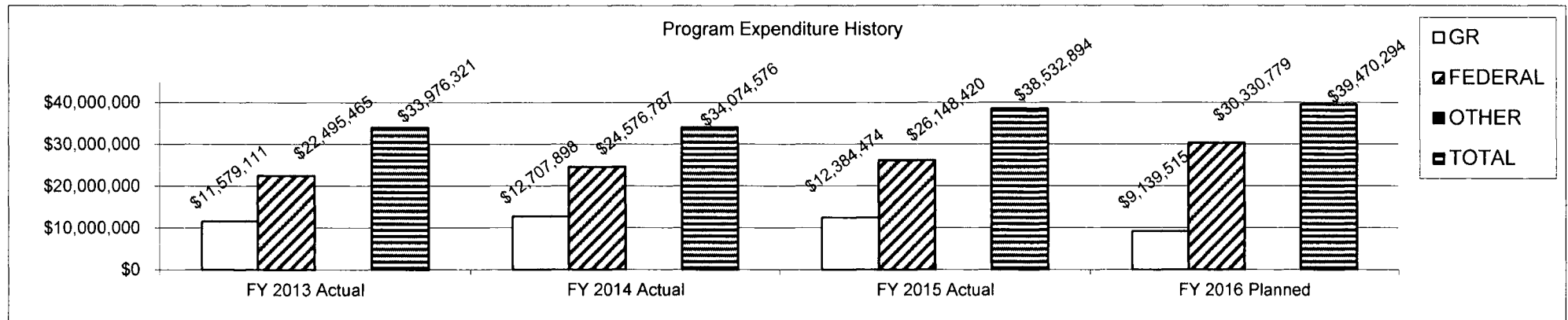
NEMT services receive a federal medical assistance percentage (FMAP) on program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY16 is a blended 63.323% federal match. The state matching requirement is 36.677%.

Services provided through public entities use state and local general revenue to transport MO HealthNet participants. MO HealthNet provides payment of the federal share for these services. These expenditures earn a 50% federal match.

4. Is this a federally mandated program? If yes, please explain.

Yes, state Medicaid programs must assure availability of medically necessary transportation.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other" funds?

N/A

PROGRAM DESCRIPTION

Department: Social Services

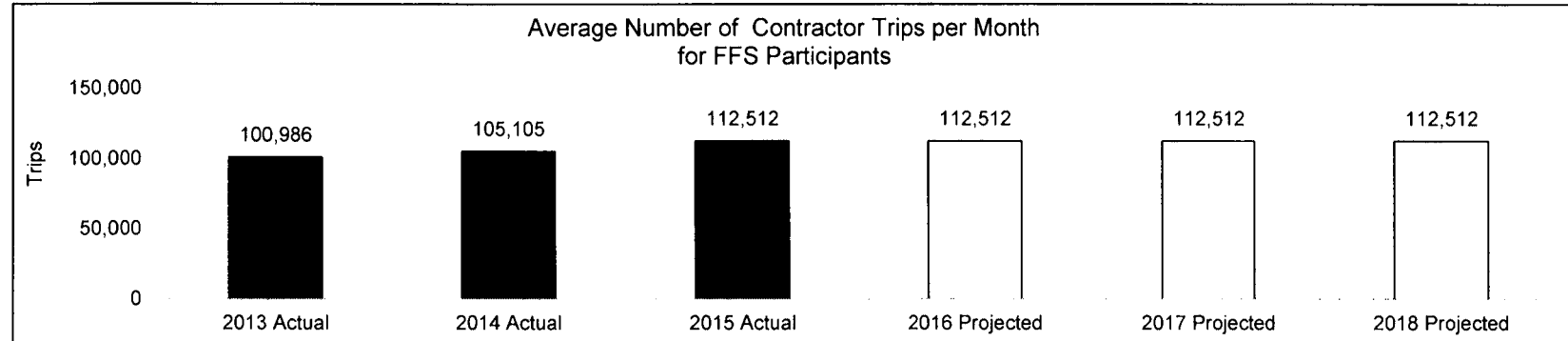
HB Section: 11.485

Program Name: Non-Emergency Medical Transportation (NEMT)

Program is found in the following core budget(s): Non-Emergency Medical Transportation (NEMT)

7a. Provide an effectiveness measure.

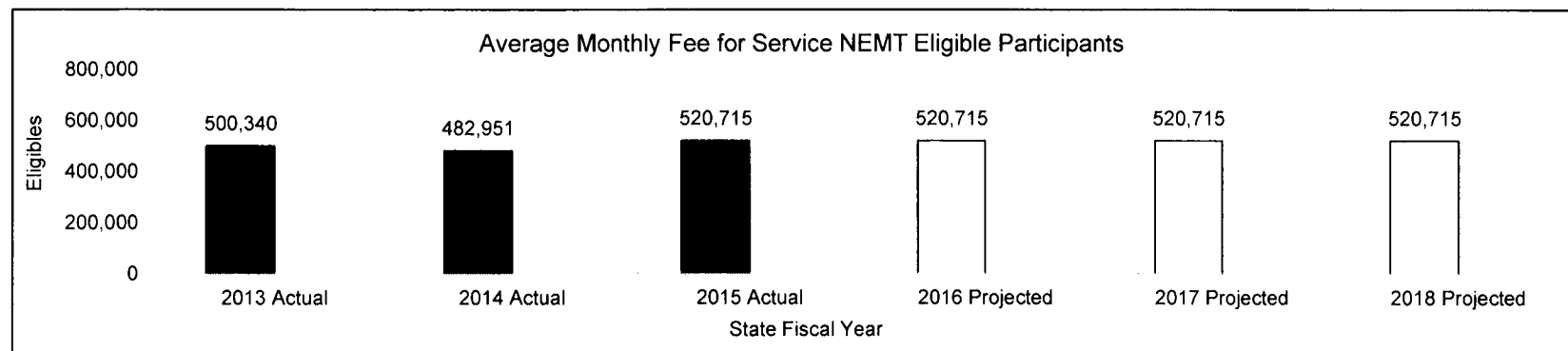
Provide non-emergency medical transportation to MO HealthNet participants to increase access to health care.



7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.



Non-emergency medical transportation is available to MO HealthNet participants who are eligible under a federal aid category. Those participating under a state only funded category or under a Title XXI expansion category are not eligible for NEMT services. Participants in Managed Care receive the NEMT benefit but are not included in the chart.

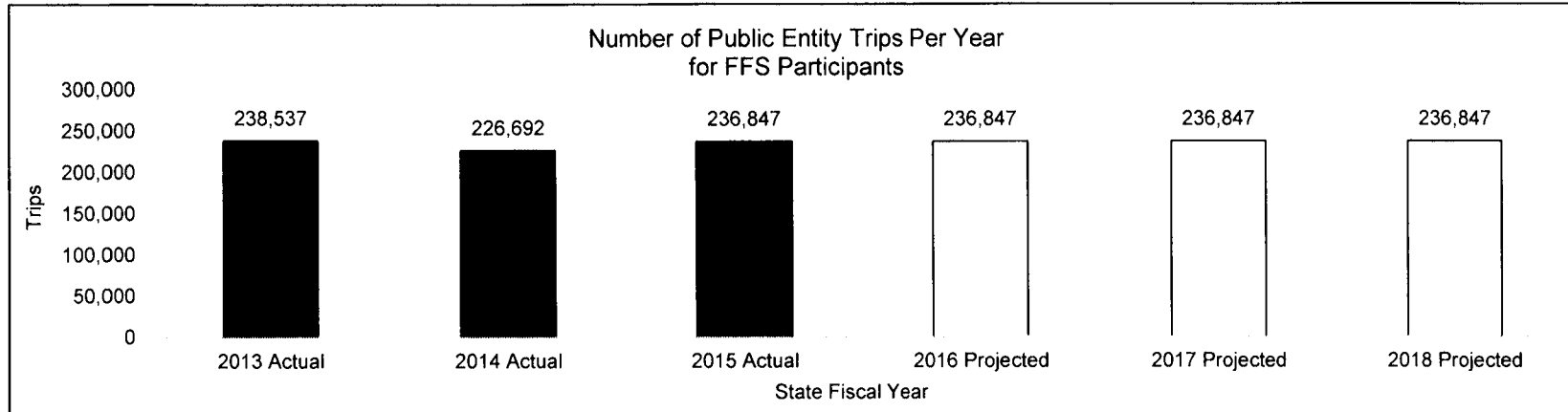
PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.485

Program Name: Non-Emergency Medical Transportation (NEMT)

Program is found in the following core budget(s): Non-Emergency Medical Transportation (NEMT)



Public entities have interagency agreements with the MO HealthNet Division to provide access to transportation services for a specific group of participants, such as dialysis patients, persons with disabilities, or the elderly. Public entities use state and local dollars to draw down the federal matching funds.

7d. Provide a customer satisfaction measure, if available.

The proportion of complaints to the number of trips provided by the contractor remains below 1%.

NEMT Complaint to Trip Ratio (Contractor Trips)

	Actual			Projection		
	SFY 2013	SFY 2014	SFY 2015	SFY 2016	SFY 2017	SFY 2018
Trips	1,211,828	1,261,261	1,350,139	1,350,139	1,350,139	1,350,139
Complaints	2,160	3,203	3,443	3,443	3,443	3,443
% Complaints	<1%	<1%	<1%	<1%	<1%	<1%

NEW DECISION ITEM

RANK: 13 OF: 29

Department: Social Services
 Division: MO HealthNet
 DI Name: NEMT Actuarial Rate Increase

Budget Unit: 90561C

DI#: 1886008

1. AMOUNT OF REQUEST

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS	0	0	0	0
EE	0	0	0	0
PSD	1,044,289	1,802,970	0	2,847,259
TRF	0	0	0	0
Total	1,044,289	1,802,970	0	2,847,259
FTE	0.00	0.00	0.00	0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0
FTE				0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input checked="" type="checkbox"/> Other: Actuarial Increase	

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funding is needed for the cost increase of the new Non-Emergency Medical Transportation (NEMT) contract. The cost increase is attributed to the increase in SFY17 actuarially sound rates.

The purpose of the NEMT program is to ensure non-emergency medical transportation to MO HealthNet participants in the fee-for-service program who do not have access to free and appropriate transportation (can use free community resources or other free programs) to scheduled MO HealthNet covered services. The participant is to be provided with the most appropriate mode of transportation. The state contracts with a statewide broker and pays monthly capitation payments for each NEMT participant based on eligibility group and which of the four regions of the state the participant resides. Federal regulation requires the rates paid to NEMT providers be actuarially sound.

NEW DECISION ITEM

RANK: 13 OF: 29

Department: Social Services
Division: MO HealthNet
DI Name: NEMT Actuarial Rate Increase

Budget Unit: 90561C
DI#: 1886008

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE)

The NEMT projected need of \$2,847,259 is based on the contract which requires actuarially sound NEMT rates. A trend of 7.7% is estimated for FY17 to maintain actuarial soundness. Statewide managed care expansion implementation is anticipated to begin in January 2017, therefore, MO HeathNet estimates a reduction in NEMT expenditures due to some groups within the fee-for-service population (i.e. children, custodial parents, and pregnant women) moving into managed care.

SFY 16 NEMT Appropriation **\$40,353,438**
 Additional SFY 16 Need Based on Contract Renewal **\$2,847,259**

NEMT funds reallocated to managed care* (\$1,356,189)
 *Funds reduced from NEMT core

	Total	GR	Federal
NEMT	\$2,847,259	\$1,044,289	\$1,802,970

NEW DECISION ITEM

RANK: 13 OF: 29

Department: Social Services

Budget Unit: 90561C

Division: MO HealthNet

DI Name: NEMT Actuarial Rate Increase

DI#: 1886008

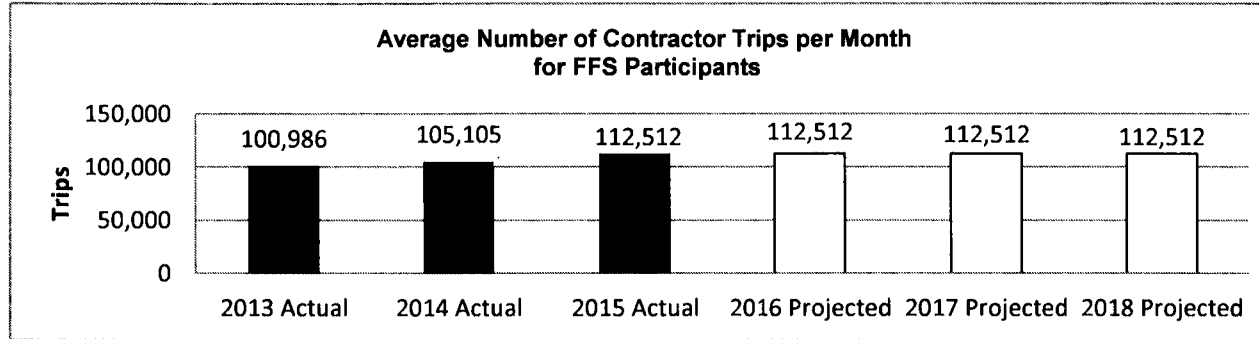
5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	1,044,289		1,802,970				2,847,259		
Total PSD	1,044,289		1,802,970		0		2,847,259		0
Transfers							0		
Total TRF	0		0		0		0		0
Grand Total	1,044,289	0.0	1,802,970	0.0	0	0.0	2,847,259	0.0	0

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions							0		
Total PSD	0		0		0		0		0
Transfers							0		
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

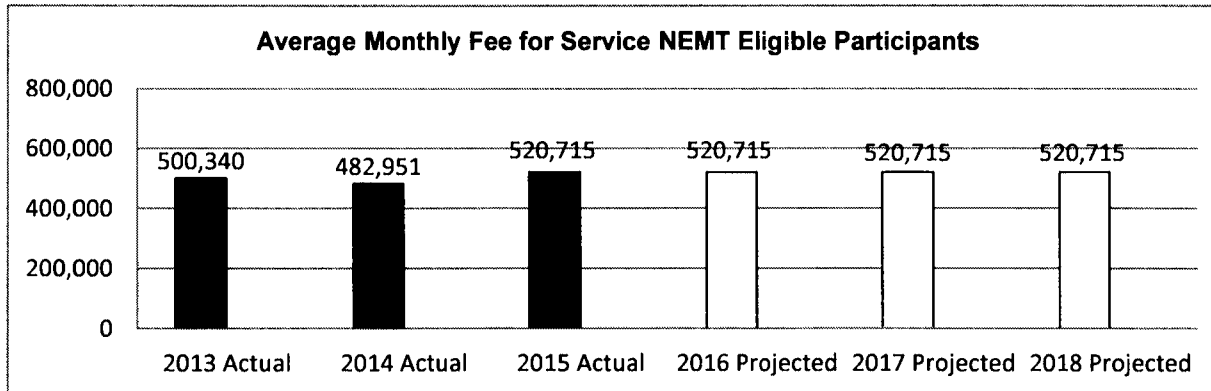
6a. Provide an effectiveness measure.



Provide non-emergency medical transportation (NEMT) to MO HealthNet participants to increase access to health care. There were 112,512 NEMT trips per month provided through the contractor in SFY 2015.

6b. Provide an efficiency measure. N/A

6c. Provide the number of clients/individuals served, if applicable.



Non-emergency medical transportation (NEMT) is available to MO HealthNet participants who are eligible under a federal aid category. Participants in Managed Care receive the NEMT benefit but are not included in this chart.

6d. Provide a customer satisfaction measure, if available.

NEMT Complaint to Trip Ratio (Contractor Trips)						
	Actual			Projection		
	SFY 2013	SFY 2014	SFY 2015	SFY 2016	SFY 2017	SFY 2018
Trips	1,211,828	1,261,261	1,350,139	1,350,139	1,350,139	1,350,139
Complaints	2,160	3,203	3,443	3,443	3,443	3,443
% Complaints	<1%	<1%	<1%	<1%	<1%	<1%

The proportion of complaints to the number of trips provided by the contractor remains below 1%.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
NON-EMERGENCY TRANSPORT								
NEMT Actuarial Rate Increase - 1886008								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	2,847,259	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	2,847,259	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$2,847,259	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$1,044,289	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$1,802,970	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

Community Health Access Programs (CHAPS)

DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN	
COMMUNITY HEALTH ACCESS PRGRMS									
CORE									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	1,250,000	0.00	0	0.00	0	0.00	
TOTAL - PD	0	0.00	1,250,000	0.00	0	0.00	0	0.00	
TOTAL	0	0.00	1,250,000	0.00	0	0.00	0	0.00	
GRAND TOTAL	\$0	0.00	\$1,250,000	0.00	\$0	0.00	\$0	0.00	

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CORE DECISION ITEM

Department: Social Services
 Division: MO HealthNet
 Core: Community Health Access Programs

Budget Unit: 90579C
 HB Section: 11.485

1. CORE FINANCIAL SUMMARY

	FY 2017 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

	FY 2017 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0

FTE

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

This core request is to provide funding for payments to Community Health Access Programs (CHAPS).

3. PROGRAM LISTING (list programs included in this core funding)

Community Health Access Programs (CHAPS)

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Community Health Access Programs

Budget Unit: 90579C

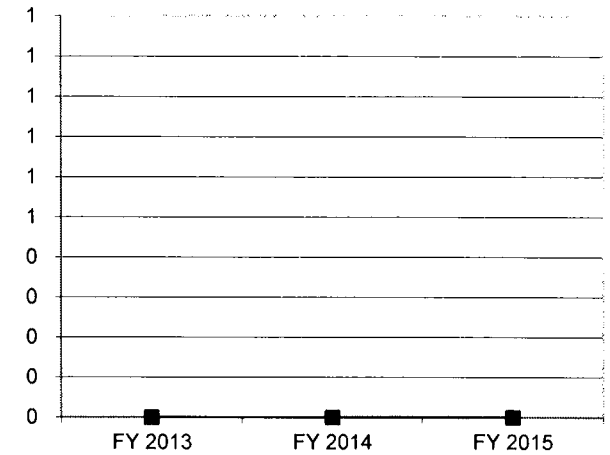
HB Section: 11.485

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	0	0	1,250,000	1,250,000
Less Reverted (All Funds)	0	0	0	N/A
Less Restricted (All Funds)	0	0	(1,250,000)	N/A
Budget Authority (All Funds)	0	0	0	N/A
Actual Expenditures (All Funds)	0	0	0	N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0			N/A

(1)

Actual Expenditures (All Funds)



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) Funding for this program first appropriated in FY15. The appropriations were vetoed by the Governor, overridden by the General Assembly, and subsequently restricted by the Governor.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES COMMUNITY HEALTH ACCESS PRGRMS

5. CORE RECONCILIATION DETAIL

				Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES				PD	0.00	1,250,000	0	0	1,250,000	
				Total	0.00	1,250,000	0	0	1,250,000	
DEPARTMENT CORE ADJUSTMENTS										
Core Reduction	227	9051	PD	0.00	(500,000)		0	0	(500,000)	Reduction of program
Core Reduction	227	9123	PD	0.00	(250,000)		0	0	(250,000)	Reduction of program
Core Reduction	227	9050	PD	0.00	(500,000)		0	0	(500,000)	Reduction of program
NET DEPARTMENT CHANGES					0.00	(1,250,000)	0	0	(1,250,000)	
DEPARTMENT CORE REQUEST				PD	0.00	0	0	0	0	
				Total	0.00	0	0	0	0	
GOVERNOR'S RECOMMENDED CORE				PD	0.00	0	0	0	0	
				Total	0.00	0	0	0	0	

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
COMMUNITY HEALTH ACCESS PRGRMS								
CORE								
PROGRAM DISTRIBUTIONS	0	0.00	1,250,000	0.00	0	0.00	0	0.00
TOTAL - PD	0	0.00	1,250,000	0.00	0	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$1,250,000	0.00	\$0	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$1,250,000	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.485

Program Name: Community Health Access Programs

Program is found in the following core budget(s): Community Health Access Programs

1. What does this program do?

The purpose of the appropriation is for providing state matching funds for Community Health Access Programs (CHAPS) focused on meeting the health care needs of their communities and reducing costs incurred by health care providers when patients inappropriately access health care resources through emergency medical services or emergency departments.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

N/A

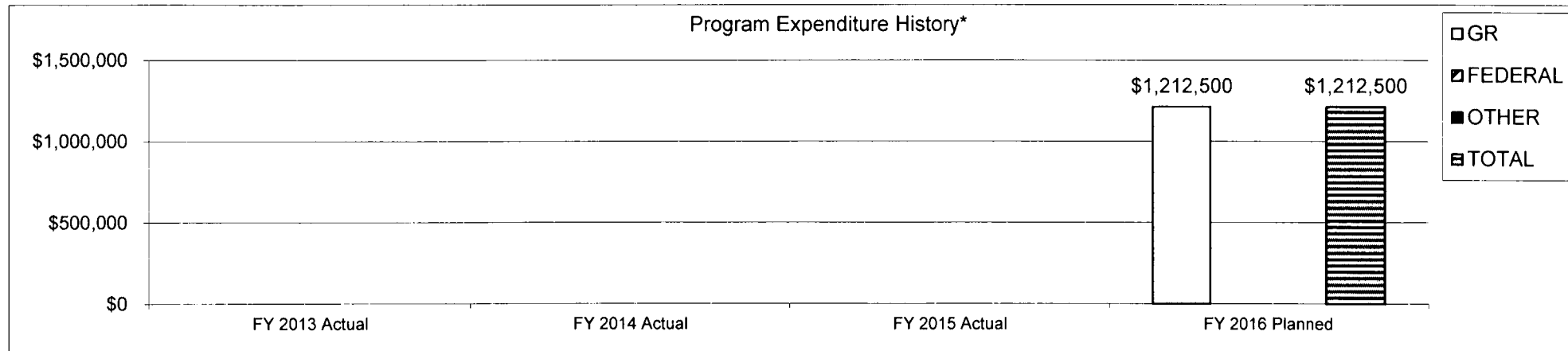
3. Are there federal matching requirements? If yes, please explain.

No.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



Planned FY 2016 expenditures are net of reserve.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.485

Program Name: Community Health Access Programs

Program is found in the following core budget(s): Community Health Access Programs

6. What are the sources of the "Other" funds?

N/A

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A

Complex Rehab Technology

DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
COMPLEX REHAB TECHNLOGY PRODUCTS								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	3,599,736	0.00	4,122,171	0.00	4,122,171	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	6,151,074	0.00	7,324,335	0.00	7,324,335	0.00	0	0.00
TAX AMNESTY FUND	0	0.00	55,131	0.00	55,131	0.00	0	0.00
TOTAL - PD	9,750,810	0.00	11,501,637	0.00	11,501,637	0.00	0	0.00
TOTAL	9,750,810	0.00	11,501,637	0.00	11,501,637	0.00	0	0.00
MHD FY17 Cost to Continue - 1886001								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	88,355	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	39,405	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	127,760	0.00	0	0.00
TOTAL	0	0.00	0	0.00	127,760	0.00	0	0.00
ABLE Accounts - 1886039								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	23,927	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	62,590	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	86,517	0.00	0	0.00
TOTAL	0	0.00	0	0.00	86,517	0.00	0	0.00
GRAND TOTAL	\$9,750,810	0.00	\$11,501,637	0.00	\$11,715,914	0.00	\$0	0.00

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CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Complex Rehab Technology

Budget Unit: 90577C

HB Section: 11.490

1. CORE FINANCIAL SUMMARY

	FY 2017 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	4,122,171	7,324,335	55,131	11,501,637
TRF				
Total	4,122,171	7,324,335	55,131	11,501,637

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

	FY 2017 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Tax Amnesty (0470).

2. CORE DESCRIPTION

This core funds items classified within the Medicare program as durable medical equipment that are individually configured for individuals to meet their specific and unique medical, physical, and functional capacities for basic activities of daily living and instrumental activities of daily living identified as medically necessary to prevent hospitalization and/or institutionalization of a complex needs patient.

3. PROGRAM LISTING (list programs included in this core funding)

Complex Rehab Technology

CORE DECISION ITEM

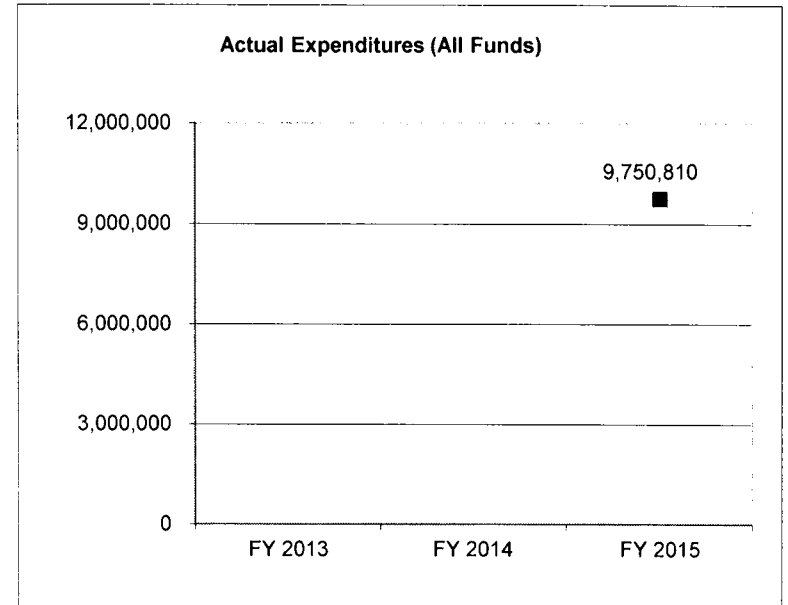
Department: Social Services
Division: MO HealthNet
Core: Complex Rehab Technology

Budget Unit: 90577C

HB Section: 11.490

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2015 Current Yr.
Appropriation (All Funds)	N/A	N/A	12,707,330	11,501,637
Less Reverted (All Funds)	0	0	(114,420)	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	0	12,592,910	N/A
Actual Expenditures (All Funds)			9,750,810	N/A
Unexpended (All Funds)			2,842,100	N/A
Unexpended, by Fund:				
General Revenue	0	0	975,484	N/A
Federal	0	0	1,866,616	N/A
Other	0	0		N/A
			(1)	



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY15 Complex Rehab Technology was moved out of Rehab & Specialty Services

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES COMPLEX REHAB TECHN LGY PRDCTS

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	4,122,171	7,324,335	55,131	11,501,637	
	Total	0.00	4,122,171	7,324,335	55,131	11,501,637	
DEPARTMENT CORE REQUEST							
	PD	0.00	4,122,171	7,324,335	55,131	11,501,637	
	Total	0.00	4,122,171	7,324,335	55,131	11,501,637	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	4,122,171	7,324,335	55,131	11,501,637	
	Total	0.00	4,122,171	7,324,335	55,131	11,501,637	

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90550C BUDGET UNIT NAME: Complex Rehab Technology Products HOUSE BILL SECTION: 11.490	DEPARTMENT: Social Services DIVISION: MO HealthNet
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1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

DEPARTMENT REQUEST

	Core	% Flex Requested	Flex Requested Amount
<i>Total Program Request</i>	\$11,531,335	10%	\$1,153,134
	\$11,531,335	25%	\$2,882,834

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
None.	H.B. 11 language allows for up to 10% flexibility between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.485, 11.490, 11.505, 11.510, 11.550, 11.555, and 11.595 and 25% flexibility for use of this section for managed care.	10% flexibility between sections and 25% flexibility between FFS and Managed Care is being requested for FY 17.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
None.	Flexibility allows DSS to provide continued Medicaid benefits without an interruption in reimbursement to providers or partial payments.

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
COMPLEX REHAB TECHNLOGY PRODUCTS								
CORE								
PROGRAM DISTRIBUTIONS	9,750,810	0.00	11,501,637	0.00	11,501,637	0.00	0	0.00
TOTAL - PD	9,750,810	0.00	11,501,637	0.00	11,501,637	0.00	0	0.00
GRAND TOTAL	\$9,750,810	0.00	\$11,501,637	0.00	\$11,501,637	0.00	\$0	0.00
GENERAL REVENUE	\$3,599,736	0.00	\$4,122,171	0.00	\$4,122,171	0.00		0.00
FEDERAL FUNDS	\$6,151,074	0.00	\$7,324,335	0.00	\$7,324,335	0.00		0.00
OTHER FUNDS	\$0	0.00	\$55,131	0.00	\$55,131	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.490

Program Name: Complex Rehab Technology

Program is found in the following core budget(s): Complex Rehab Technology

1. What does this program do?

This program provides Medicaid reimbursement for items classified within the Medicare program as durable medical equipment which are individually configured for individuals to meet their specific and unique medical, physical, and functional capacities for basic activities of daily living and instrumental activities of daily living identified as medically necessary to prevent hospitalization and/or institutionalization of a complex needs patient. Such items shall include, but not be limited to, complex rehabilitation power wheelchairs, highly configurable manual wheelchairs, adaptive seating and positioning seats, and other specialized equipment such as standing frames and gait trainers.

Rate Change History:

- 04/15/10: Decrease rates to 100% of the 01/01/09 Medicare fee schedule; manually priced wheelchairs and accessories decreased to 80% of MSRP for manual and custom wheelchairs and 85% of MSRP for power wheelchairs; revised requirements for eligibility for nursing home wheelchairs to decrease costs.
- 08/12/10: Decrease rates for all services except complex rehab item to 96.5% of the 01/01/10 Medicare fee schedule; oxygen reimbursement methodology revised to increase reimbursement of portable systems and decrease reimbursement of stationary systems.
- 07/01/15: Increase rates to 100% of the 04/01/10 Medicare fee schedule; manually priced wheelchairs and accessories increased to 90% of MSRP for manual and custom wheelchairs and 95% of MSRP for power wheelchairs. A portion of this increase is funded with the Tax Amnesty Fund.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152; Federal law: Social Security Act Section 1905(a)(12) and (18), 1905(o); Federal regulation: 42 CFR 410.40, 418, 431.53, 440.60, 440.120, 440.130 and 440.170.

3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY16 is blended at a 63.323% federal match. The state matching requirement is 36.677%.

4. Is this a federally mandated program? If yes, please explain.

This program is not mandatory for adults but is mandatory for children.

PROGRAM DESCRIPTION

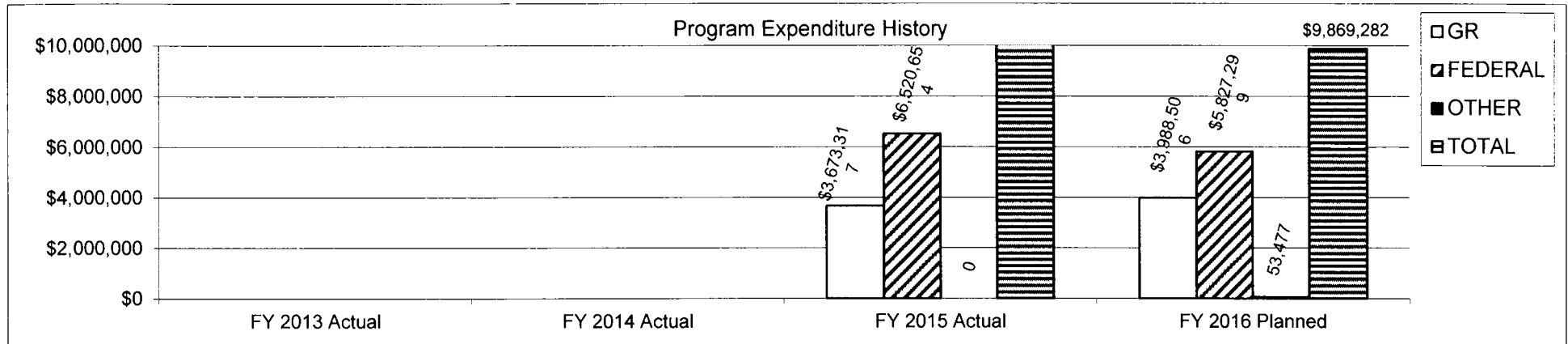
Department: Social Services

HB Section: 11.490

Program Name: Complex Rehab Technology

Program is found in the following core budget(s): Complex Rehab Technology

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY 2016 is net of reserves and reverted.

6. What are the sources of the "Other" funds?

Tax Amnesty Fund (0470).

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

N/A

PROGRAM DESCRIPTION

Department: Social Services

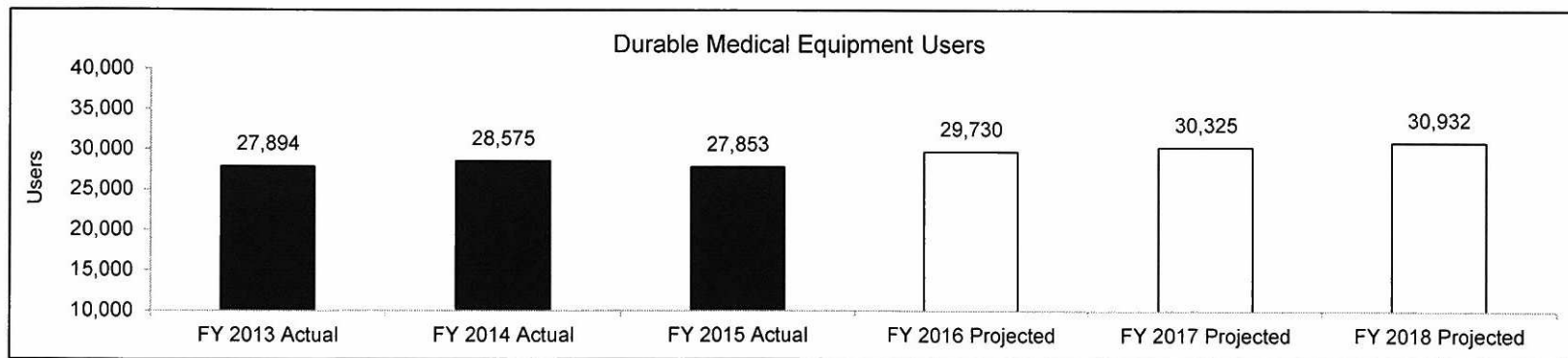
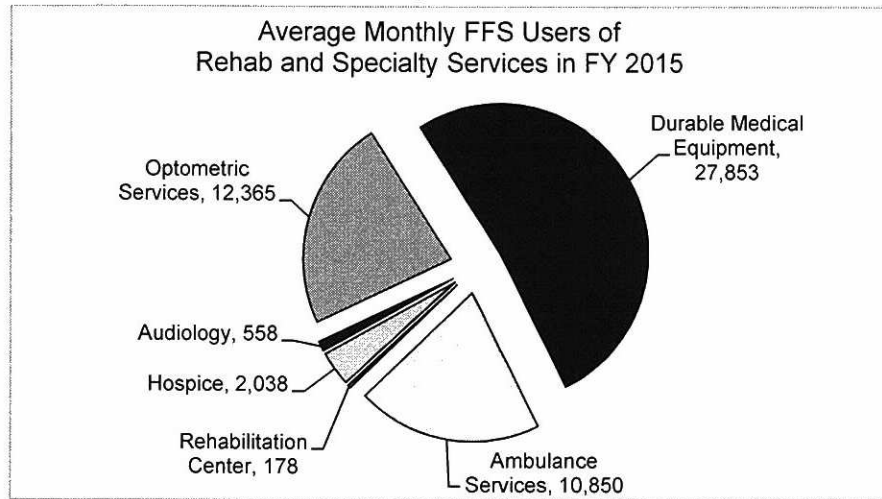
HB Section: 11.490

Program Name: Complex Rehab Technology

Program is found in the following core budget(s): Complex Rehab Technology

7c. Provide the number of clients/individuals served, if applicable.

In regions of the state with access to MO HealthNet Managed Care, complex rehab technology is available through the MO HealthNet Managed Care health plans for those populations enrolled in Managed Care.



7d. Provide a customer satisfaction measure, if available.

N/A

Managed Care

DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN	
MANAGED CARE									
CORE									
EXPENSE & EQUIPMENT									
GENERAL REVENUE	2,221,903	0.00	0	0.00	0	0.00	0	0.00	
LIFE SCIENCES RESEARCH TRUST	3,300	0.00	0	0.00	0	0.00	0	0.00	
TOTAL - EE	2,225,203	0.00	0	0.00	0	0.00	0	0.00	
PROGRAM-SPECIFIC									
GENERAL REVENUE	304,707,633	0.00	287,837,577	0.00	439,276,365	0.00	0	0.00	
TITLE XIX-FEDERAL AND OTHER	758,449,349	0.00	782,455,590	0.00	1,178,706,392	0.00	0	0.00	
UNCOMPENSATED CARE FUND	0	0.00	0	0.00	33,848,436	0.00	0	0.00	
PHARMACY REBATES	0	0.00	0	0.00	581,199	0.00	0	0.00	
FEDERAL REIMBURSEMENT ALLOWANCE	97,394,117	0.00	97,394,117	0.00	97,394,117	0.00	0	0.00	
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	0	0.00	907,611	0.00	0	0.00	
MO HEALTHNET MANAGED CARE ORG	0	0.00	5,000	0.00	5,000	0.00	0	0.00	
HEALTH INITIATIVES	7,462,567	0.00	8,055,080	0.00	18,314,722	0.00	0	0.00	
TAX AMNESTY FUND	0	0.00	2,240,154	0.00	2,240,154	0.00	0	0.00	
HEALTHY FAMILIES TRUST	4,000,000	0.00	4,000,000	0.00	18,053,814	0.00	0	0.00	
LIFE SCIENCES RESEARCH TRUST	6,269,244	0.00	21,272,544	0.00	21,272,544	0.00	0	0.00	
PREMIUM	0	0.00	0	0.00	7,080,502	0.00	0	0.00	
AMBULANCE SERVICE REIMB ALLOW	930,652	0.00	1,453,111	0.00	1,453,111	0.00	0	0.00	
TOTAL - PD	1,179,213,562	0.00	1,204,713,173	0.00	1,819,133,967	0.00	0	0.00	
TOTAL	1,181,438,765	0.00	1,204,713,173	0.00	1,819,133,967	0.00	0	0.00	
MHD FY17 Cost to Continue - 1886001									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	38,746,913	0.00	0	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	20,849,567	0.00	0	0.00	
TOTAL - PD	0	0.00	0	0.00	59,596,480	0.00	0	0.00	
TOTAL	0	0.00	0	0.00	59,596,480	0.00	0	0.00	
Mgd Care Actuarial Increase - 1886004									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	17,780,173	0.00	0	0.00	

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DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN	
MANAGED CARE									
Mgd Care Actuarial Increase - 1886004									
PROGRAM-SPECIFIC									
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	30,640,778	0.00	0	0.00	
TOTAL - PD	0	0.00	0	0.00	48,420,951	0.00	0	0.00	
TOTAL	0	0.00	0	0.00	48,420,951	0.00	0	0.00	
Statewide Mgd Care Transition - 1886038									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	39,719,100	0.00	0	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	68,575,200	0.00	0	0.00	
TOTAL - PD	0	0.00	0	0.00	108,294,300	0.00	0	0.00	
TOTAL	0	0.00	0	0.00	108,294,300	0.00	0	0.00	
GRAND TOTAL	\$1,181,438,765	0.00	\$1,204,713,173	0.00	\$2,035,445,698	0.00	\$0	0.00	

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CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Managed Care

Budget Unit: 90551C, 90586C

HB Section: 11.505, 11.507

1. CORE FINANCIAL SUMMARY

	FY 2017 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	439,276,365	1,178,706,392	201,151,210	1,819,133,967
TRF				
Total	439,276,365	1,178,706,392	201,151,210	1,819,133,967

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

	FY 2017 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Health Initiatives Fund (HIF) (0275)
Federal Reimbursement Allowance Fund (FRA) (0142)
Life Sciences Research Trust Fund (0763)
Healthy Families Trust Fund (0625)
Ambulance Service Reimb Allowance Fund (0958)
Medicaid Managed Care Org Reimbursement Allowance (0160)
Tax Amnesty Fund (0470)
Uncompensated Care (0108)
Premium Fund (0885)
Pharmacy Rebates (0114)
Pharmacy Reimbursement Allowance Fund (0144)

Other Funds:

2. CORE DESCRIPTION

This core request is for the continued funding of the Managed Care program to provide health care services to the MO HealthNet Managed Care population.

3. PROGRAM LISTING (list programs included in this core funding)

Managed Care

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Managed Care

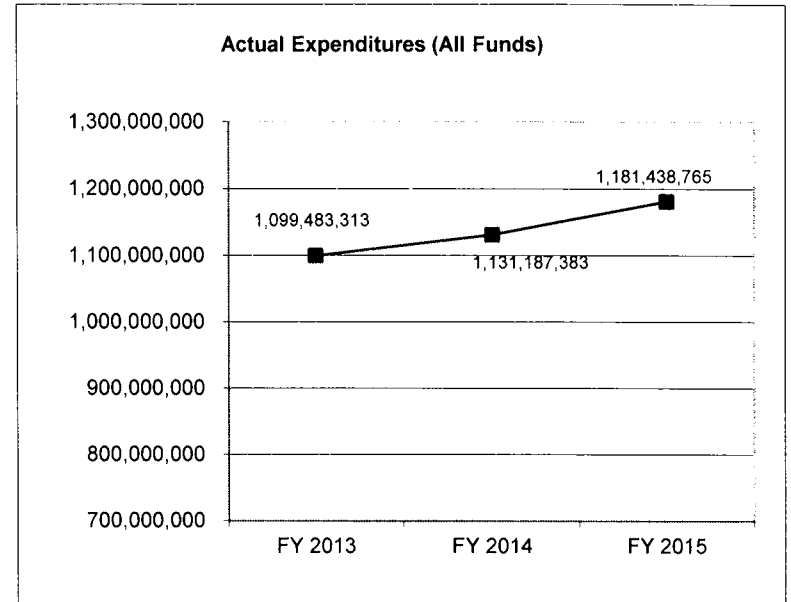
Budget Unit: 90551C, 90586C

HB Section: 11.505, 11.507

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	1,126,120,521	1,186,760,062	1,194,884,629	1,204,713,173
Less Reverted (All Funds)	(241,652)	(241,652)	(241,652)	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	1,125,878,869	1,186,518,410	1,194,642,977	N/A
Actual Expenditures (All Funds)	1,099,483,313	1,131,187,383	1,181,438,765	N/A
Unexpended (All Funds)	26,395,556	55,331,027	13,204,212	N/A
Unexpended, by Fund:				
General Revenue	0	9,355,043	0	N/A
Federal	26,395,556	34,591,478	12,853,351	N/A
Other	0	11,384,506	350,861	N/A

(1)



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) For FY 2017 the statewide managed care expansion appropriations have been reallocated to the managed care section and are included in the total.

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Managed Care

Budget Unit: 90551C, 90586C

HB Section: 11.505, 11.507

Cost Per Eligible - Per Member Per Month (PMPM)

	Managed Care PMPM**	Acute Care PMPM***	Total PMPM	Managed Care Percentage of Acute	Managed Care Percentage of Total
PTD	\$0.00	\$1,074.20	\$1,961.17	0.00%	0.00%
Seniors	\$0.00	\$368.96	\$1,565.89	0.00%	0.00%
Custodial Parents	\$199.19	\$473.61	\$507.28	42.06%	39.27%
Children*	\$126.88	\$274.18	\$303.51	46.28%	41.80%
Pregnant Women	\$173.43	\$657.06	\$671.28	26.39%	25.84%

Source: Table 23 Medical Statistics for Fiscal Year 2015 (Paid Claims Data). Does not include add-on payments.

* CHIP eligibles not included.

** Includes EPSDT services.

*** Acute Care PMPM includes Managed Care and all Managed Care carve out services, such as Pharmacy.

See 4th paragraph on the right for complete list of services included in Acute Care PMPM.

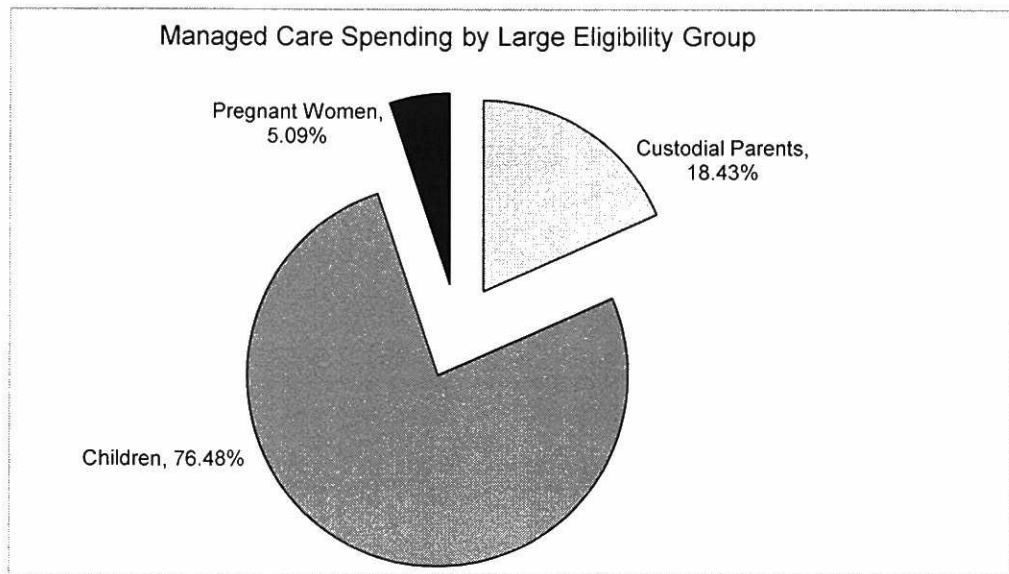
The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MO HealthNet management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for managed care, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, pharmacy, managed care payments, Medicare co-pay/deductibles, dental and other acute services administered by MO HealthNet. It does not include nursing facilities, in-home services, mental health services and state institutions. By comparing the managed care PMPM to the acute care PMPM, MO HealthNet management can monitor the progress of interventions controlled by MO HealthNet management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for managed care. It provides a snapshot of what eligibility groups are enrolled in managed care, as well as the populations impacted by program changes.



Source: Table 23 Medical Statistics for Fiscal Year 2015 (Paid Claims Data). Persons with Disabilities and Seniors are excluded from managed care.

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
MANAGED CARE**

5. CORE RECONCILIATION DETAIL

				Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES				PD	0.00	287,837,577	782,455,590	134,420,006	1,204,713,173	
				Total	0.00	287,837,577	782,455,590	134,420,006	1,204,713,173	
DEPARTMENT CORE ADJUSTMENTS										
Core Reallocation	308	1183	PD	0.00		0	0	7,080,502	7,080,502	Core reallocation from managed care expansion
Core Reallocation	308	1184	PD	0.00		0	0	581,199	581,199	Core reallocation from managed care expansion
Core Reallocation	308	1185	PD	0.00		0	0	907,611	907,611	Core reallocation from managed care expansion
Core Reallocation	308	1783	PD	0.00	151,438,788		0	0	151,438,788	Core reallocation from managed care expansion
Core Reallocation	308	1784	PD	0.00		0	396,250,802	0	396,250,802	Core reallocation from managed care expansion
Core Reallocation	308	1785	PD	0.00		0	0	10,259,642	10,259,642	Core reallocation from managed care expansion
Core Reallocation	308	3711	PD	0.00		0	0	14,053,814	14,053,814	Core reallocation from managed care expansion
Core Reallocation	308	7166	PD	0.00		0	0	171,206	171,206	Core reallocation from managed care expansion
Core Reallocation	308	1182	PD	0.00		0	0	33,848,436	33,848,436	Core reallocation from managed care expansion
NET DEPARTMENT CHANGES					0.00	151,438,788	396,250,802	66,902,410	614,592,000	

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
MANAGED CARE**

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
DEPARTMENT CORE REQUEST							
	PD	0.00	439,276,365	1,178,706,392	201,322,416	1,819,305,173	
	Total	0.00	439,276,365	1,178,706,392	201,322,416	1,819,305,173	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	439,276,365	1,178,706,392	201,322,416	1,819,305,173	
	Total	0.00	439,276,365	1,178,706,392	201,322,416	1,819,305,173	

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90551C BUDGET UNIT NAME: Managed Care HOUSE BILL SECTION: 11.505	DEPARTMENT: Social Services DIVISION: MO HealthNet
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1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

DEPARTMENT REQUEST

	Core	% Flex Requested	Flex Requested Amount
<i>Total Program Request</i>	\$1,204,713,173	10%	\$120,471,317
	\$1,204,713,173	25%	\$301,178,293

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
None.	H.B. 11 language allows for up to 10% flexibility between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.485, 11.490, 11.505, 11.510, 11.550, 11.555, and 11.595 and 25% flexibility for use of this section for managed care.	10% flexibility between sections and 25% flexibility between FFS and Managed Care is being requested for FY 17.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
None.	Flexibility allows DSS to provide continued Medicaid benefits without an interruption in reimbursement to providers or partial payments.

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
MANAGED CARE								
CORE								
PROFESSIONAL SERVICES	2,225,203	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	2,225,203	0.00	0	0.00	0	0.00	0	0.00
PROGRAM DISTRIBUTIONS	1,179,213,562	0.00	1,204,713,173	0.00	1,819,133,967	0.00	0	0.00
TOTAL - PD	1,179,213,562	0.00	1,204,713,173	0.00	1,819,133,967	0.00	0	0.00
GRAND TOTAL	\$1,181,438,765	0.00	\$1,204,713,173	0.00	\$1,819,133,967	0.00	\$0	0.00
GENERAL REVENUE	\$306,929,536	0.00	\$287,837,577	0.00	\$439,276,365	0.00		0.00
FEDERAL FUNDS	\$758,449,349	0.00	\$782,455,590	0.00	\$1,178,706,392	0.00		0.00
OTHER FUNDS	\$116,059,880	0.00	\$134,420,006	0.00	\$201,151,210	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.505, 11.507

Program Name: Managed Care

Program is found in the following core budget(s): Managed Care

1. What does this program do?

The MO HealthNet Division operates an HMO-style managed care program, MO HealthNet Managed Care. Objectives of the MO HealthNet Managed Care program include cost effectiveness, improved quality of care, contract compliance, and member satisfaction. MO HealthNet Managed Care health plans contract with the state and are paid a monthly capitation payment for providing services for each enrollee.

Participation in MO HealthNet Managed Care is mandatory for certain MO HealthNet eligibility groups within the regions in operation. The mandatory groups are: MO HealthNet for Families-Adults and Children; MO HealthNet for Children; Refugees; MO HealthNet for Pregnant Women; Children in State Care and Custody; and Children's Health Insurance Program (CHIP). Those participants who receive Supplemental Security Income (SSI), meet the SSI medical disability definition, or get adoption subsidy benefits may stay in MO HealthNet Managed Care or may choose to receive services on a fee-for-service basis.

The MO HealthNet Managed Care program is subject to an approved CHIP State Plan Amendment and an approved federal 1915(b) waiver, which expires June 30, 2016. An independent evaluation of the MO HealthNet Managed Care program is required by the Centers for Medicare and Medicaid Services (CMS) with respect to access to care and quality of services. At the end of the waiver period or at prescribed intervals within the waiver period, the state must demonstrate that their waiver cost projections and budget neutrality projections are reasonable and consistent with statute, regulation and guidance.

History

The MO HealthNet Managed Care program has been operating in the Eastern Region since September 1, 1995, in the Central Region since March 1, 1996, and in the Western Region since January 1, 1997. Effective January 1, 2008 the state introduced the MO HealthNet Managed Care program in seventeen counties contiguous to the existing three MO HealthNet Managed Care regions. In 2015, authority was received to extend the Managed Care program statewide for current eligibility groups beginning June 1, 2016.

Managed Care Services

In MO HealthNet Managed Care, enrollees receive the majority of their services through the managed care benefit. Examples of services included in the capitation payment paid to health plans are: hospital; physician; emergency medical services; EPSDT services; family planning services; dental; optical; audiology; personal care; and mental health services. Services provided on a fee-for-service basis outside of the capitation payment include: pharmacy services; transplants; school-based therapy; Department of Health and Senior Services newborn screening services; certain mental health services, including ICF/MR; community psychiatric rehabilitation services; CSTAR services; smoking cessation; and mental health services for children in the care and custody of the state.

Compared to fee for service, MO HealthNet Managed Care is intended to provide MO HealthNet participants a number of advantages over traditional fee-for-service MO HealthNet. Each MO HealthNet managed care participant chooses a MO HealthNet managed care health plan and a primary care provider from within the network of the health plan. Managed care participants are guaranteed access to primary care and other services as needed.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.505, 11.507

Program Name: Managed Care

Program is found in the following core budget(s): Managed Care

MO HealthNet managed care health plans are required by contract to ensure that routine exams are scheduled within thirty days, urgent care within twenty-four hours, and emergency services must be available at all times. Behavioral health appointments for routine care are required by contract to be scheduled within two weeks, urgent care within seventy-two hours, and after care appointments following hospitalizations must be within seven days of discharge. MO HealthNet managed care health plans are required by contract to ensure that children receive all EPSDT exams (complete physicals on a regular schedule), are fully immunized, and receive any medically necessary service. MO HealthNet managed care health plans are also required by contract to provide case management to ensure that enrollee services, especially children's and pregnant women's, are properly coordinated. The Division monitors performance of the managed care health plans and assists them with improvement.

MO HealthNet Managed Care provides the means to control costs, but more importantly provides the means to ensure access, manage and coordinate benefits, and monitor quality of care and outcomes.

Quality Assessment

The purpose of quality assessment is to assess the quality of services in the MO HealthNet Managed Care program. Quality assessment utilizes a variety of methods and tools to measure outcomes of services provided. The goal is to monitor health care services provided to MO HealthNet managed care members by the MO HealthNet managed care health plans, and comply with federal, state and contract requirements. The MO HealthNet managed care health plans are required to meet program standards for quality improvement, systems, member services, provider services, recordkeeping, organizational structure, adequacy of personnel, access standards, and data reporting as outlined in the MO HealthNet managed care contracts. Quality assessment measures are taken from the Healthcare Effectiveness Data Information Set (HEDIS) and other internally developed measurements. HEDIS is a strong public/private effort that includes a standardized set of measures to assess and encourage the continual improvement in the quality of health care. Specifically, Medicaid HEDIS includes additional quality and access measures which respond more directly to needs of women and children who make up the majority of MO HealthNet managed care participants. HEDIS is intended to be used collaboratively by the state agency and the MO HealthNet managed care health plans to:

- Provide the state agency with information on the performance of the contracted MO HealthNet managed care health plans;
- Assist health plans in quality improvement efforts;
- Support emerging efforts to inform MO HealthNet clients about managed care plan performance; and
- Promote standardization of health plan reporting across the public and private sectors.

An annual report is provided with significant outcomes measured including the following:

- Member complaints and grievances including actions taken and reasons for members changing MO HealthNet managed care health plans;
- Utilization review including inpatient/outpatient visits for both physical and mental health;
- Outcome indicators such as diabetes, asthma, low birth weight and mortality;
- EPSDT activities (children's health services) such as the number of well child visits provided;
- Prenatal activities and services provided; and
- Behavioral health activities and services provided.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.505, 11.507

Program Name: Managed Care

Program is found in the following core budget(s): Managed Care

National Committee for Quality Assurance (NCQA) Accreditation

Effective October 1, 2011, the Managed Care health plans must be NCQA accredited at a level of "accredited" or better to be eligible to receive a contract in the MO HealthNet program. The managed care health plans must maintain such accreditation thereafter and throughout the duration of the contract.

Contract Compliance

Along with quality assessment, monitoring MO HealthNet Managed Care health plan compliance to contractual requirements is a primary method to measure whether the goals of managed care are being met. Contractual compliance monitoring begins with the issuance of the Request for Proposal (RFP) and continues throughout the contract. Contract compliance is measured through a variety of methods. The MO HealthNet Division has a relationship with the Missouri Department of Insurance, Financial Institutions and Professional Registration to analyze MO HealthNet Managed Care health plan provider networks in accordance with 20 CSR 400-7.095 to ensure that the network is adequate to meet the needs of enrollees.

Member Satisfaction

Member satisfaction with the MO HealthNet managed care health plans is another method for measuring success of the MO HealthNet Managed Care program. An initial measurement is how many members actually choose their MO HealthNet managed care health plan versus the Division assigning them to MO HealthNet managed care health plans. MO HealthNet Managed Care has a high voluntary choice percentage. Since the inception of the MO HealthNet Managed Care program, approximately 12.6% of enrollees are randomly assigned by the Division. Reporting has been developed to continuously monitor how many participants initially choose their MO HealthNet managed care health plans as well as which health plans are chosen. Other reporting monitors participants' transfer requests among MO HealthNet managed care health plans to identify health plans that have particular problems keeping their participants. MO HealthNet also looks at the number of calls coming into the participant and provider hotlines to assess problem areas with health plans. MO HealthNet managed care health plans submit enrollee satisfaction data to the Department of Health and Senior Services in accordance with 19 CSR 10-5.010.

Managed Care Rebid

MO HealthNet recently awarded contracts to three health plans to provide services in the three MO HealthNet managed care regions. The new contracts were effective July 1, 2015. In 2015, authority was received to extend the Managed Care program into current fee-for-service counties for current eligibility groups beginning June 1, 2016. Therefore, the Managed Care contract will be rebid during SFY 16.

Rate History

MO HealthNet needs to maintain capitation rates at a sufficient level to ensure continued health plan and provider participation. Federal Regulation 42 CFR 438-Managed Care and State Authority 208.166 require capitation payments made on behalf of managed care participants to be actuarially sound. Following are the prior year managed care actuarial increases received.

- FY 2010 \$66,701,815
- FY 2012 \$72,840,071
- FY 2014 \$52,666,128
- FY 2015 \$54,573,006
- FY 2016 \$11,192,155

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.505, 11.507

Program Name: Managed Care

Program is found in the following core budget(s): Managed Care

State statute: RSMo. 208.166; Federal law: Social Security Act Sections 1902(a)(4), 1903(m), 1915(b), 1932; Federal Regulations: 42 CFR 438 and 412.106.

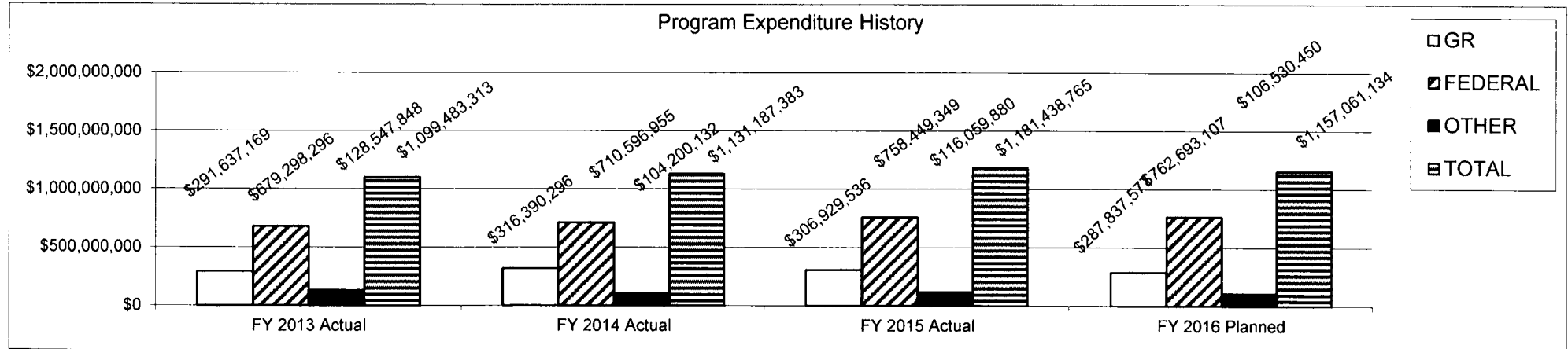
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY16 is a blended 63.323% federal match. The state matching requirement is 36.677%.

4. Is this a federally mandated program? If yes, please explain.

MO HealthNet Managed Care covers most services available to fee-for-service participants. As such, both mandatory and non-mandatory services are included. Services not included in MO HealthNet Managed Care are available on a fee-for-service basis as specified in the FFS cores.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY16 planned is net of reverted and reserved.

6. What are the sources of the "Other" funds?

Federal Reimbursement Allowance Fund (0142), Mo HealthNet Managed Care Org Fund (0160), Health Initiatives Fund (0275), Healthy Families Trust (0625), Life Sciences Research Trust Fund (0763), Ambulance Service Reimbursement Fund (0958), and in FY16, Tax Amnesty Fund (9807), Uncompensate Care (0108), Premium Fund (0885), Pharmacy Rebates (0114) and Pharmacy Reimbursement Allowance (0144).

PROGRAM DESCRIPTION

Department: Social Services

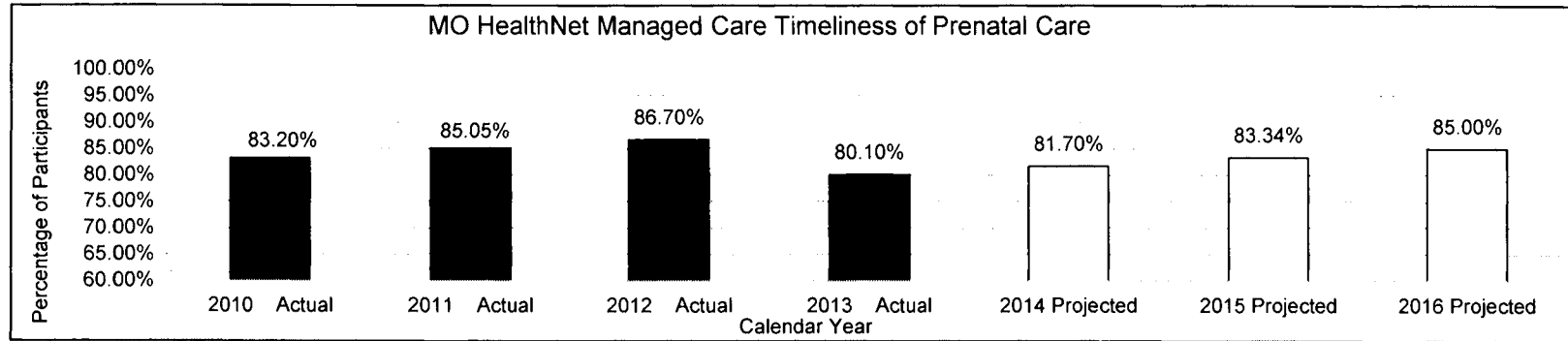
HB Section: 11.505, 11.507

Program Name: Managed Care

Program is found in the following core budget(s): Managed Care

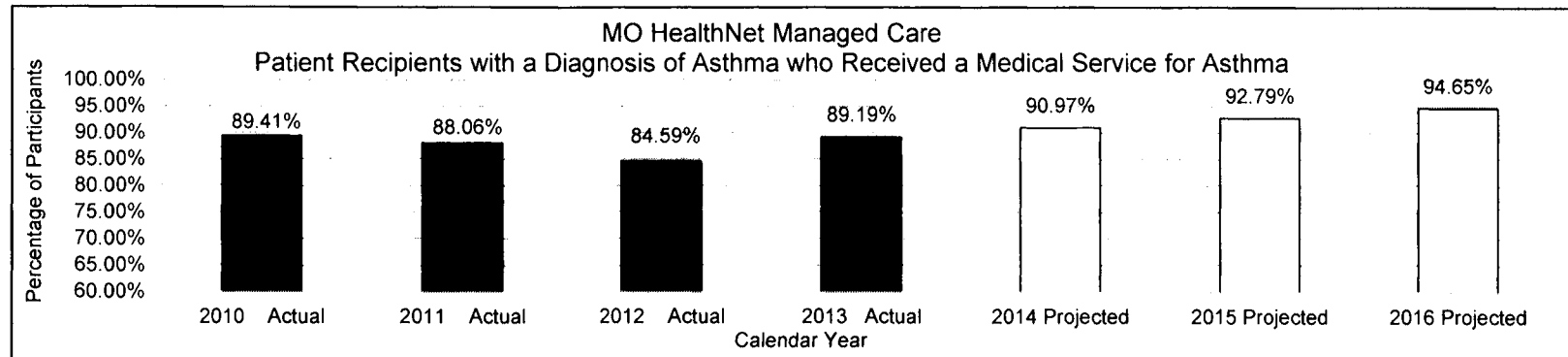
7a. Provide an effectiveness measure.

Prenatal care is important for monitoring the progress of pregnancy and to identify risk factors for the mother or baby before they become serious and lead to poor outcomes and more expensive health care costs. The diagnosis and treatment of chronic conditions also reduces more expensive health care costs that could result when conditions are left untreated.



* Updated measures will be available after October 2015.

Effectiveness Measure 1: Increase the percentage of women receiving early prenatal care. The percentage of women who received prenatal care within the first trimester or within 42 days of enrollment in a health plan was 80.10% in 2013.



* Updated measures will be available after October 2015.

Effectiveness Measure 2: Increase the percentage of participants with chronic conditions who receive treatment for their condition. The percentage of participants with a diagnosis of asthma who received a medical service for asthma was 89.19% in 2013.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.505, 11.507

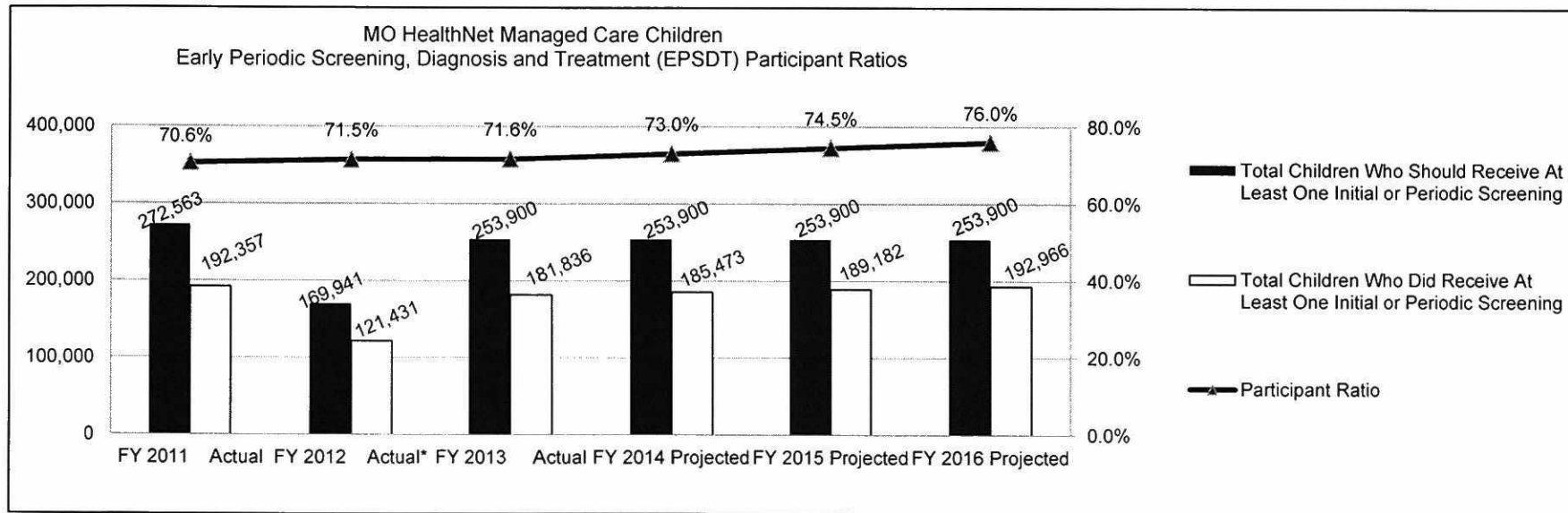
Program Name: Managed Care

Program is found in the following core budget(s): Managed Care

7b. Provide an efficiency measure.

The Early Periodic Screening, Diagnosis and Treatment (EPSDT) program is a comprehensive, primary and preventive health care program for MO HealthNet eligible children and youth under the age of 21 years. The program provides early and periodic medical/dental screenings, diagnosis and treatment to correct or ameliorate defects and chronic conditions found during the screening. The chart below does not include CHIP children.

Efficiency Measure: Increase the ratio of children who receive an EPSDT service.



*FY2012 Actual - The Total Eligibles and Screenings are under-reported for the population due to discontinuation of three health plans and the addition of one health plan in the middle of the reporting year.

PROGRAM DESCRIPTION

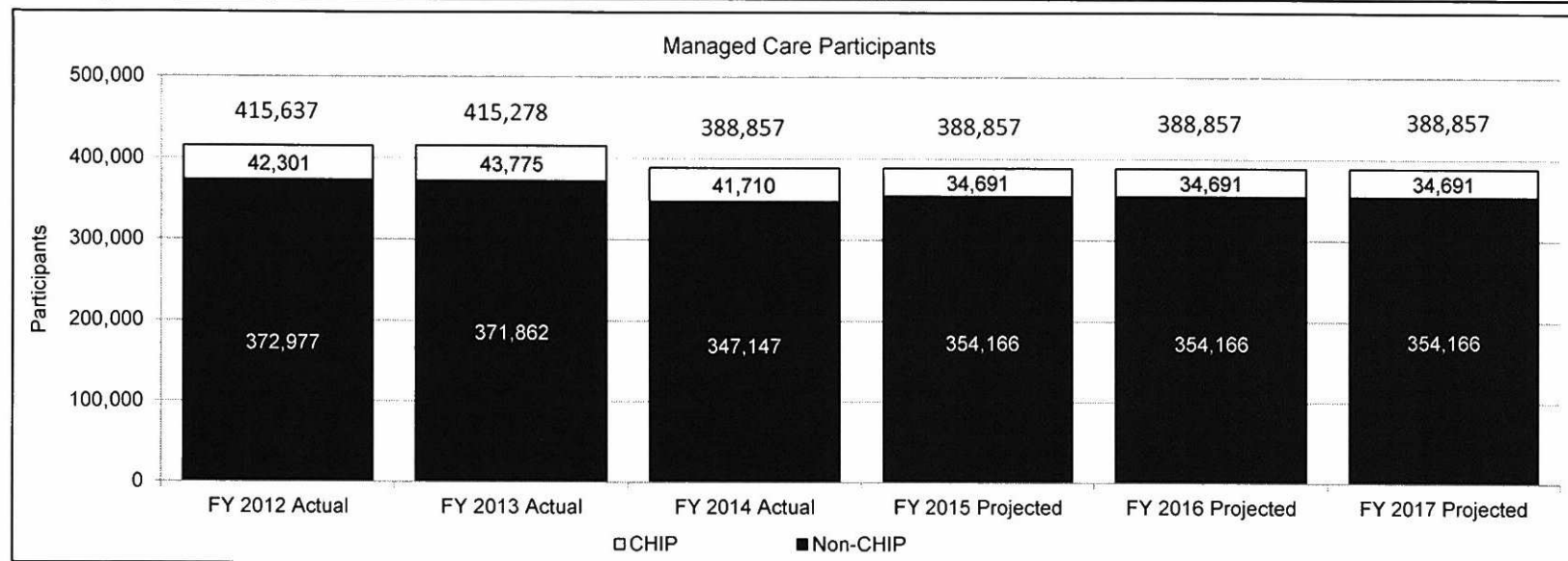
Department: Social Services

HB Section: 11.505, 11.507

Program Name: Managed Care

Program is found in the following core budget(s): Managed Care

7c. Provide the number of clients/individuals served, if applicable.



* Updated measures will be available after October 2015.

Participation in MO HealthNet Managed Care for those areas of the state where it is available is mandatory for these eligibility categories:

- MO HealthNet for Families;
- MO HealthNet for Kids;
- Refugees;
- MO HealthNet for Pregnant Women;
- Children in state care and custody; and
- CHIP

PROGRAM DESCRIPTION

Department: Social Services

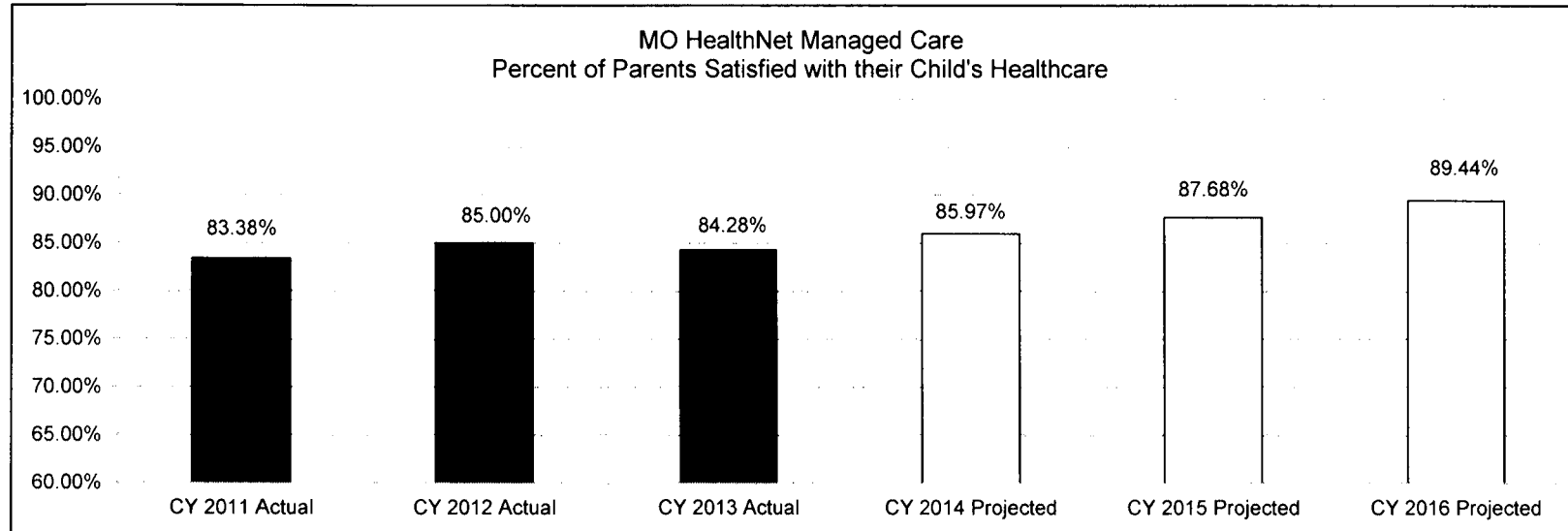
HB Section: 11.505, 11.507

Program Name: Managed Care

Program is found in the following core budget(s): Managed Care

7d. Provide a customer satisfaction measure, if available.

When parents were asked if they were satisfied with the health care their child received through their MO HealthNet Managed Care plan, over 84% responded that they were satisfied in 2013.



* Updated measures will be available after October 2015.

Customer Satisfaction Measure: Increase the percentage of parents who were satisfied with the health care their child received through MO HealthNet Managed Care.

Statewide Managed Care Expansion

DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN	
MANAGED CARE EXPANSION									
CORE									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	151,438,788	0.00	0	0.00	0	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	396,250,802	0.00	0	0.00	0	0.00	
UNCOMPENSATED CARE FUND	0	0.00	33,848,436	0.00	0	0.00	0	0.00	
PHARMACY REBATES	0	0.00	581,199	0.00	0	0.00	0	0.00	
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	907,611	0.00	0	0.00	0	0.00	
HEALTH INITIATIVES	0	0.00	10,259,642	0.00	0	0.00	0	0.00	
HEALTHY FAMILIES TRUST	0	0.00	14,053,814	0.00	0	0.00	0	0.00	
LIFE SCIENCES RESEARCH TRUST	0	0.00	171,206	0.00	0	0.00	0	0.00	
PREMIUM	0	0.00	7,080,502	0.00	0	0.00	0	0.00	
TOTAL - PD	0	0.00	614,592,000	0.00	0	0.00	0	0.00	
TOTAL	0	0.00	614,592,000	0.00	0	0.00	0	0.00	
GRAND TOTAL	\$0	0.00	\$614,592,000	0.00	\$0	0.00	\$0	0.00	

CORE DECISION ITEM

Department: Social Services
 Division: MO HealthNet
 Core: Statewide Managed Care Expansion

Budget Unit: 90586C

HB Section: 11.507

1. CORE FINANCIAL SUMMARY

	FY 2017 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	0	0	0	0
TRF				
Total	0	0	0	0

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

	FY 2017 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Health Initiatives Fund (HIF) (0275)
 Life Sciences Research Trust Fund (0763)
 Healthy Families Trust Fund (0625)
 Uncompensated Care (0108)
 Premium Fund (0885)
 Pharmacy Rebates (0114)
 Pharmacy Reimbursement Allowance Fund (0144)

Other Funds:

2. CORE DESCRIPTION

Appropriations for statewide managed care have been reallocated to the Managed Care Section.

3. PROGRAM LISTING (list programs included in this core funding)

Statewide Managed Care Expansion

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Statewide Managed Care Expansion

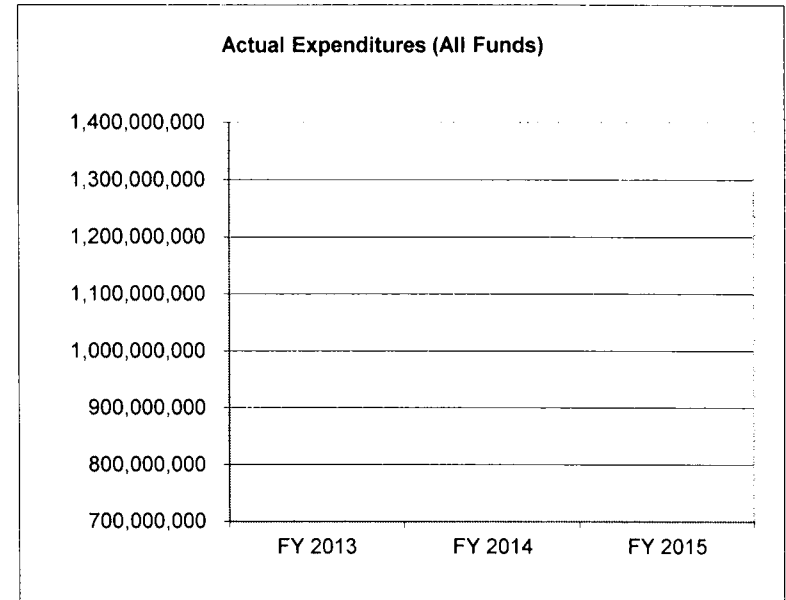
Budget Unit: 90586C

HB Section: 11.507

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	0	0	0	614,592,000
Less Reverted (All Funds)	0	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	0	0	N/A
Actual Expenditures (All Funds)	0	0	0	N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	-	0	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A

(1)



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) For FY 2017 the statewide managed care expansion appropriations have been reallocated to the managed care section and are included in the total.

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Statewide Managed Care Expansion

Budget Unit: 90586C

HB Section: 11.507

Cost Per Eligible - Per Member Per Month (PMPM)

	Managed Care PMPM**	Acute Care PMPM***	Total PMPM	Managed Care Percentage of Acute	Managed Care Percentage of Total
PTD	\$0.00	\$1,074.20	\$1,961.17	0.00%	0.00%
Seniors	\$0.00	\$368.96	\$1,565.89	0.00%	0.00%
Custodial Parents	\$199.19	\$473.61	\$507.28	42.06%	39.27%
Children*	\$126.88	\$274.18	\$303.51	46.28%	41.80%
Pregnant Women	\$173.43	\$657.06	\$671.28	26.39%	25.84%

Source: Table 23 Medical Statistics for Fiscal Year 2015 (Paid Claims Data). Does not include add-on payments.

* CHIP eligibles not included.

** Includes EPSDT services.

*** Acute Care PMPM includes Managed Care and all Managed Care carve out services, such as Pharmacy.

See 4th paragraph on the right for complete list of services included in Acute Care PMPM.

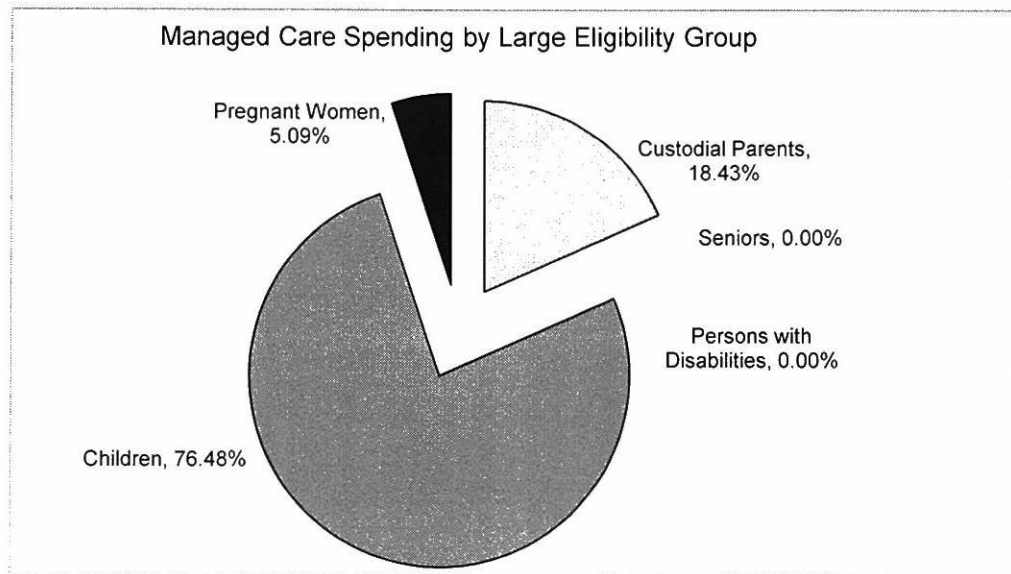
The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MO HealthNet management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for managed care, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, pharmacy, managed care payments, Medicare co-pay/deductibles, dental and other acute services administered by MO HealthNet. It does not include nursing facilities, in-home services, mental health services and state institutions. By comparing the managed care PMPM to the acute care PMPM, MO HealthNet management can monitor the progress of interventions controlled by MO HealthNet management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for managed care. It provides a snapshot of what eligibility groups are enrolled in managed care, as well as the populations impacted by program changes.



Source: Table 23 Medical Statistics for Fiscal Year 2015 (Paid Claims Data).

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
MANAGED CARE EXPANSION**

5. CORE RECONCILIATION DETAIL

				Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES										
				PD	0.00	151,438,788	396,250,802	66,902,410	614,592,000	
				Total	0.00	151,438,788	396,250,802	66,902,410	614,592,000	
DEPARTMENT CORE ADJUSTMENTS										
Core Reallocation	229	9792	PD	0.00		0 (396,250,802)		0 (396,250,802)		Core reallocation to Managed Care.
Core Reallocation	229	9864	PD	0.00		0	0 (33,848,436)	(33,848,436)		Core reallocation to Managed Care.
Core Reallocation	229	9865	PD	0.00		0	0 (581,199)	(581,199)		Core reallocation to Managed Care.
Core Reallocation	229	9866	PD	0.00		0	0 (907,611)	(907,611)		Core reallocation to Managed Care.
Core Reallocation	229	9867	PD	0.00		0	0 (10,259,642)	(10,259,642)		Core reallocation to Managed Care.
Core Reallocation	229	9868	PD	0.00		0	0 (14,053,814)	(14,053,814)		Core reallocation to Managed Care.
Core Reallocation	229	9869	PD	0.00		0	0 (171,206)	(171,206)		Core reallocation to Managed Care.
Core Reallocation	229	9870	PD	0.00		0	0 (7,080,502)	(7,080,502)		Core reallocation to Managed Care.
Core Reallocation	229	9791	PD	0.00		(151,438,788)	0	0 (151,438,788)		Core reallocation to Managed Care.
NET DEPARTMENT CHANGES					0.00	(151,438,788)	(396,250,802)	(66,902,410)	(614,592,000)	
DEPARTMENT CORE REQUEST										
			PD	0.00		0	0	0	0	
			Total	0.00		0	0	0	0	
GOVERNOR'S RECOMMENDED CORE										
			PD	0.00		0	0	0	0	
			Total	0.00		0	0	0	0	

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
MANAGED CARE EXPANSION								
CORE								
PROGRAM DISTRIBUTIONS	0	0.00	614,592,000	0.00	0	0.00	0	0.00
TOTAL - PD	0	0.00	614,592,000	0.00	0	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$614,592,000	0.00	\$0	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$151,438,788	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$396,250,802	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$66,902,410	0.00	\$0	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.507

Program Name: Statewide Managed Care Expansion

Program is found in the following core budget(s): Statewide Managed Care Expansion

1. What does this program do?

The MO HealthNet Division operates an HMO-style managed care program, MO HealthNet Managed Care. Objectives of the MO HealthNet Managed Care program include cost effectiveness, improved quality of care, contract compliance, and member satisfaction. MO HealthNet Managed Care health plans contract with the state and are paid a monthly capitation payment for providing services for each enrollee.

Participation in MO HealthNet Managed Care is mandatory for certain MO HealthNet eligibility groups within the regions in operation. The mandatory groups are: MO HealthNet for Families-Adults and Children; MO HealthNet for Children; Refugees; MO HealthNet for Pregnant Women; Children in State Care and Custody; and Children's Health Insurance Program (CHIP). Those participants who receive Supplemental Security Income (SSI), meet the SSI medical disability definition, or get adoption subsidy benefits may stay in MO HealthNet Managed Care or may choose to receive services on a fee-for-service basis.

The MO HealthNet Managed Care program is subject to an approved CHIP State Plan Amendment and an approved federal 1915(b) waiver, which expires June 30, 2016. An independent evaluation of the MO HealthNet Managed Care program is required by the Centers for Medicare and Medicaid Services (CMS) with respect to access to care and quality of services. At the end of the waiver period or at prescribed intervals within the waiver period, the state must demonstrate that their waiver cost projections and budget neutrality projections are reasonable and consistent with statute, regulation and guidance.

History

The MO HealthNet Managed Care program has been operating in the Eastern Region since September 1, 1995, in the Central Region since March 1, 1996, and in the Western Region since January 1, 1997. Effective January 1, 2008 the state introduced the MO HealthNet Managed Care program in seventeen counties contiguous to the existing three MO HealthNet Managed Care regions. In 2015, authority was received to extend the Managed Care program statewide for current eligibility groups beginning June 1, 2016.

Managed Care Services

In MO HealthNet Managed Care, enrollees receive the majority of their services through the managed care benefit. Examples of services included in the capitation payment paid to health plans are: hospital; physician; emergency medical services; EPSDT services; family planning services; dental; optical; audiology; personal care; and mental health services. Services provided on a fee-for-service basis outside of the capitation payment include: pharmacy services; transplants; school-based therapy; Department of Health and Senior Services newborn screening services; certain mental health services, including ICF/MR; community psychiatric rehabilitation services; CSTAR services; smoking cessation; and mental health services for children in the care and custody of the state.

Compared to fee for service, MO HealthNet Managed Care is intended to provide MO HealthNet participants a number of advantages over traditional fee-for-service MO HealthNet. Each MO HealthNet managed care participant chooses a MO HealthNet managed care health plan and a primary care provider from within the network of the health plan. Managed care participants are guaranteed access to primary care and other services as needed.

MO HealthNet managed care health plans must ensure that routine exams are scheduled within thirty days, urgent care within twenty-four hours, and emergency services must be available at all times. Behavioral health appointments for routine care must be scheduled within two weeks, urgent care within seventy-two hours, and after care appointments following hospitalizations must be within seven days of discharge. MO HealthNet managed care health plans must ensure that children receive all EPSDT exams (complete physicals on a regular schedule), are fully immunized, and receive any medically necessary service. MO HealthNet managed care health plans are required to provide case management to ensure that enrollee services, especially children's and pregnant women's, are properly coordinated.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.507

Program Name: Statewide Managed Care Expansion

Program is found in the following core budget(s): Statewide Managed Care Expansion

MO HealthNet Managed Care provides the means to control costs, but more importantly provides the means to ensure access, manage and coordinate benefits, and monitor quality of care and outcomes.

Quality Assessment

The purpose of quality assessment is to assess the quality of services in the MO HealthNet Managed Care program. Quality assessment utilizes a variety of methods and tools to measure outcomes of services provided. The goal is to monitor health care services provided to MO HealthNet managed care members by the MO HealthNet managed care health plans, and comply with federal, state and contract requirements. The MO HealthNet managed care health plans must meet program standards for quality improvement, systems, member services, provider services, recordkeeping, organizational structure, adequacy of personnel, access standards, and data reporting as outlined in the MO HealthNet managed care contracts. Quality assessment measures are taken from the Healthcare Effectiveness Data Information Set (HEDIS) and other internally developed measurements. HEDIS is a strong public/private effort that includes a standardized set of measures to assess and encourage the continual improvement in the quality of health care. Specifically, Medicaid HEDIS includes additional quality and access measures which respond more directly to needs of women and children who make up the majority of MO HealthNet managed care participants. HEDIS is intended to be used collaboratively by the state agency and the MO HealthNet managed care health plans to:

- Provide the state agency with information on the performance of the contracted MO HealthNet managed care health plans;
- Assist health plans in quality improvement efforts;
- Support emerging efforts to inform MO HealthNet clients about managed care plan performance; and
- Promote standardization of health plan reporting across the public and private sectors.

An annual report is provided with significant outcomes measured including the following:

- Member complaints and grievances including actions taken and reasons for members changing MO HealthNet managed care health plans;
- Utilization review including inpatient/outpatient visits for both physical and mental health;
- Outcome indicators such as diabetes, asthma, low birth weight and mortality;
- EPSDT activities (children's health services) such as the number of well child visits provided;
- Prenatal activities and services provided; and
- Behavioral health activities and services provided.

National Committee for Quality Assurance (NCQA) Accreditation

Effective October 1, 2011, the Managed Care health plans must be NCQA accredited at a level of "accredited" or better to be eligible to receive a contract in the MO HealthNet program. The managed care health plans must maintain such accreditation thereafter and throughout the duration of the contract.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.507

Program Name: Statewide Managed Care Expansion

Program is found in the following core budget(s): Statewide Managed Care Expansion

Contract Compliance

Along with quality assessment, monitoring MO HealthNet Managed Care health plan compliance to contractual requirements is a primary method to measure whether the goals of managed care are being met. Contractual compliance monitoring begins with the issuance of the Request for Proposal (RFP) and continues throughout the contract. Contract compliance is measured through a variety of methods. The MO HealthNet Division has a relationship with the Missouri Department of Insurance, Financial Institutions and Professional Registration to analyze MO HealthNet Managed Care health plan provider networks in accordance with 20 CSR 400-7.095 to ensure that the network is adequate to meet the needs of enrollees.

Member Satisfaction

Member satisfaction with the MO HealthNet managed care health plans is another method for measuring success of the MO HealthNet Managed Care program. An initial measurement is how many members actually choose their MO HealthNet managed care health plan versus the Division assigning them to MO HealthNet managed care health plans. MO HealthNet Managed Care has a high voluntary choice percentage. Since the inception of the MO HealthNet Managed Care program, approximately 12.6% of enrollees are randomly assigned by the Division. Reporting has been developed to continuously monitor how many participants initially choose their MO HealthNet managed care health plans as well as which health plans are chosen. Other reporting monitors participants' transfer requests among MO HealthNet managed care health plans to identify health plans that have particular problems keeping their participants. MO HealthNet also looks at the number of calls coming into the participant and provider hotlines to assess problem areas with health plans. MO HealthNet managed care health plans submit enrollee satisfaction data to the Department of Health and Senior Services in accordance with 19 CSR 10-5.010.

Managed Care Rebid

MO HealthNet recently awarded contracts to three health plans to provide services in the three MO HealthNet managed care regions. The new contracts were effective July 1, 2015. In 2015, authority was received to extend the Managed Care program into current fee-for-service counties for current eligibility groups beginning June 1, 2016. Therefore, the Managed Care contract will be rebid during SFY 16.

Rate History

MO HealthNet needs to maintain capitation rates at a sufficient level to ensure continued health plan and provider participation. Federal Regulation 42 CFR 438-Managed Care and State Authority 208.166 require capitation payments made on behalf of managed care participants to be actuarially sound. Following are the prior year managed care actuarial increases received.

- FY 2010 \$66,701,815
- FY 2012 \$72,840,071
- FY 2014 \$52,666,128
- FY 2015 \$54,573,006
- FY 2016 \$11,192,155

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.166; Federal law: Social Security Act Sections 1902(a)(4), 1903(m), 1915(b), 1932; Federal Regulations: 42 CFR 438 and 412.106.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.507

Program Name: Statewide Managed Care Expansion

Program is found in the following core budget(s): Statewide Managed Care Expansion

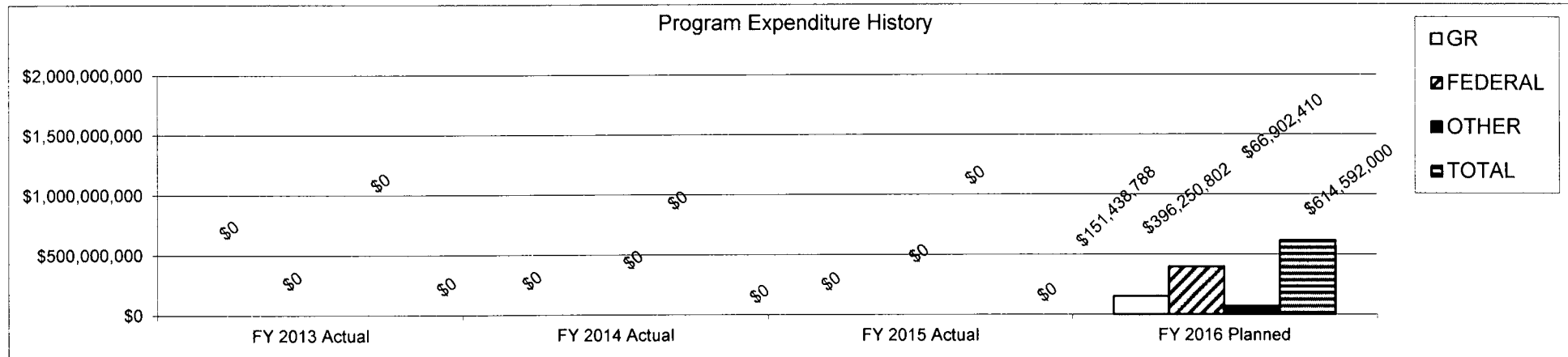
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY16 is a blended 63.323% federal match. The state matching requirement is 36.677%.

4. Is this a federally mandated program? If yes, please explain.

MO HealthNet Managed Care covers most services available to fee-for-service participants. As such, both mandatory and non-mandatory services are included. Services not included in MO HealthNet Managed Care are available on a fee-for-service basis.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY16 planned is net of reverted and reserved.

6. What are the sources of the "Other" funds?

Federal Reimbursement Allowance Fund (0142), Mo HealthNet Managed Care Org Fund (0160), Health Initiatives Fund (0275), Healthy Families Trust (0625), Life Sciences Research Trust Fund (0763), Ambulance Service Reimbursement Fund (0958), and in FY16, Tax Amnesty Fund (9807), Uncompensate Care (0108), Premium Fund (0885), Pharmacy Rebates (0114) and Pharmacy Reimbursement Allowance (0144).

PROGRAM DESCRIPTION

Department: Social Services

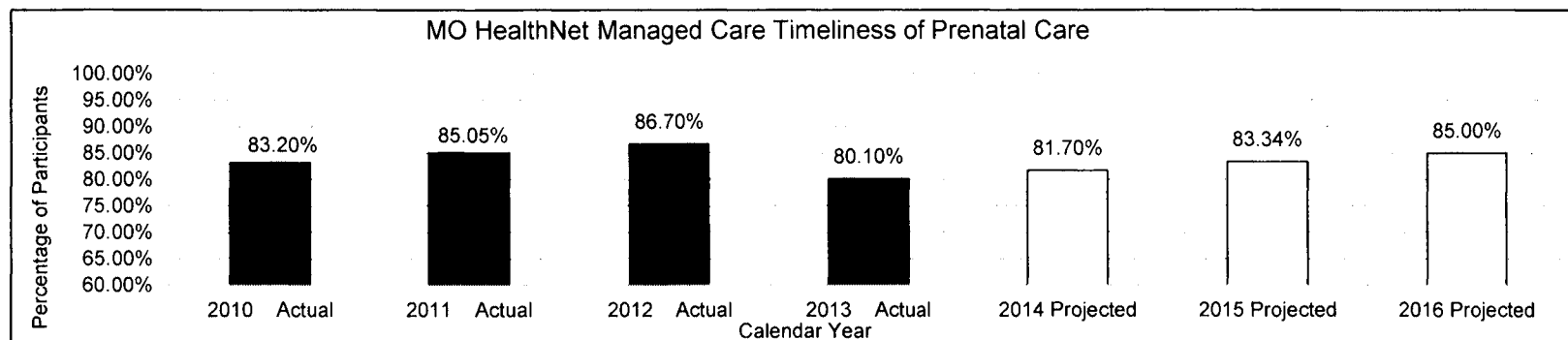
HB Section: 11.507

Program Name: Statewide Managed Care Expansion

Program is found in the following core budget(s): Statewide Managed Care Expansion

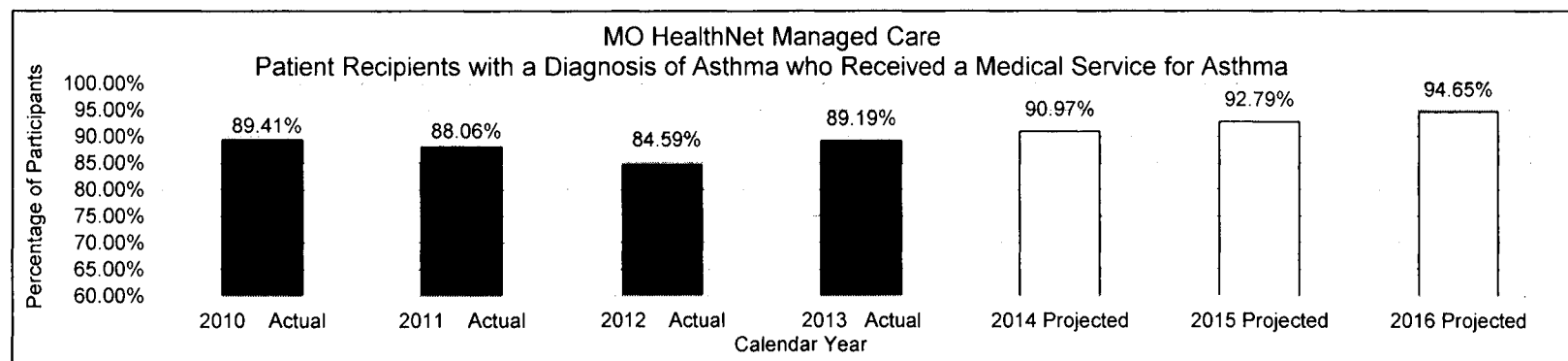
7a. Provide an effectiveness measure.

Prenatal care is important for monitoring the progress of pregnancy and to identify risk factors for the mother or baby before they become serious and lead to poor outcomes and more expensive health care costs. The diagnosis and treatment of chronic conditions also reduces more expensive health care costs that could result when conditions are left untreated.



* Updated measures will be available after October 2015.

Effectiveness Measure 1: Increase the percentage of women receiving early prenatal care. The percentage of women who received prenatal care within the first trimester or within 42 days of enrollment in a health plan was 80.10% in 2013.



* Updated measures will be available after October 2015.

Effectiveness Measure 2: Increase the percentage of participants with chronic conditions who receive treatment for their condition. The percentage of participants with a diagnosis of asthma who received a medical service for asthma was 89.19% in 2013.

7b. Provide an efficiency measure.

PROGRAM DESCRIPTION

Department: Social Services

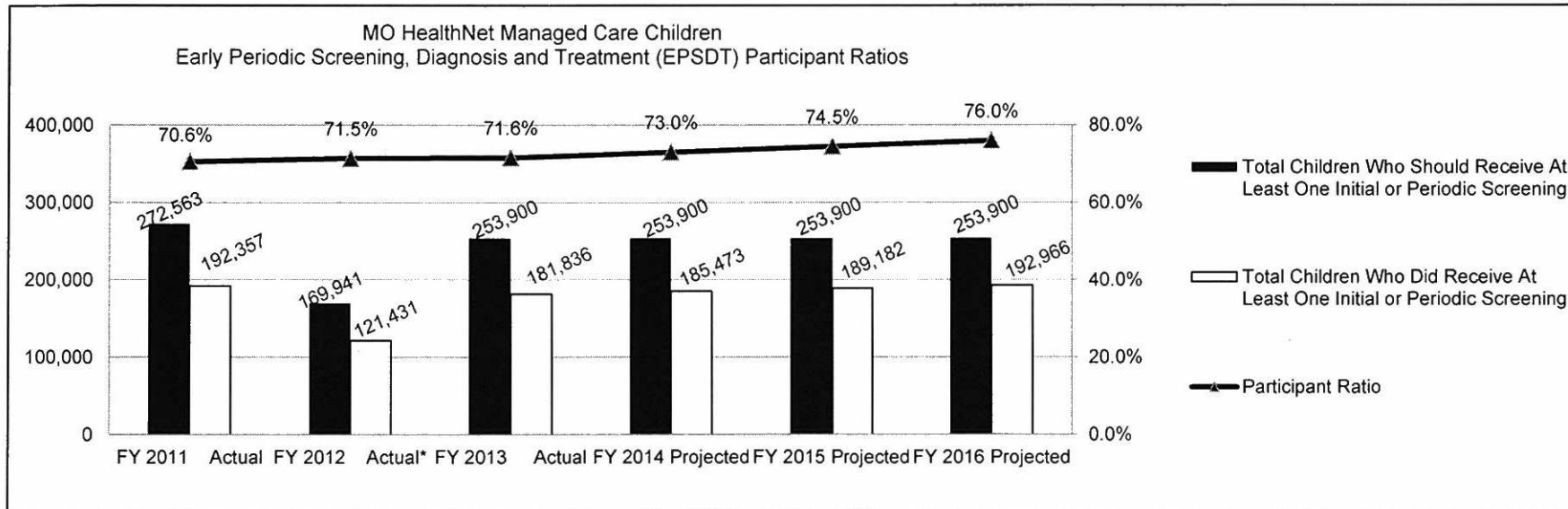
HB Section: 11.507

Program Name: Statewide Managed Care Expansion

Program is found in the following core budget(s): Statewide Managed Care Expansion

The Early Periodic Screening, Diagnosis and Treatment (EPSDT) program is a comprehensive, primary and preventive health care program for MO HealthNet eligible children and youth under the age of 21 years. The program provides early and periodic medical/dental screenings, diagnosis and treatment to correct or ameliorate defects and chronic conditions found during the screening. The chart below does not include CHIP children.

Efficiency Measure: Increase the ratio of children who receive an EPSDT service.



*FY2012 Actual - The Total Eligibles and Screenings are under-reported for the population due to discontinuation of three health plans and the addition of one health plan in the middle of the reporting year.

7c. Provide the number of clients/individuals served, if applicable.

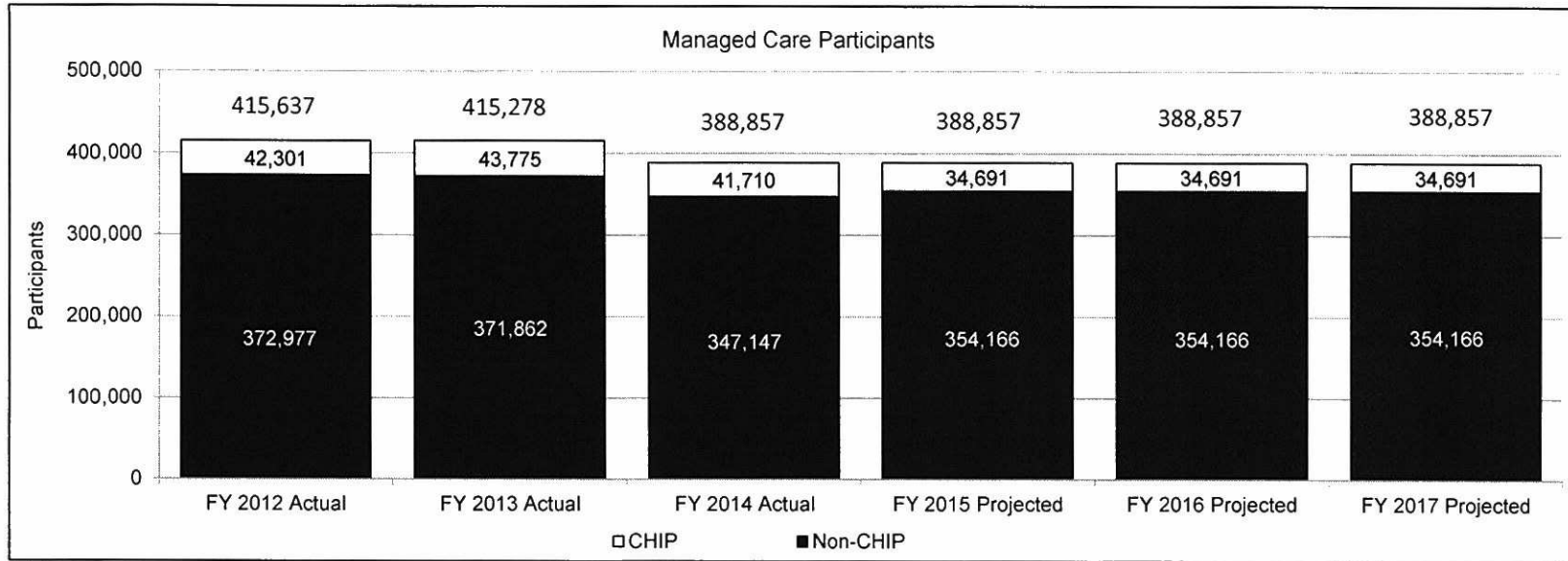
PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.507

Program Name: Statewide Managed Care Expansion

Program is found in the following core budget(s): Statewide Managed Care Expansion



** Updated measures will be available after October 2015.*

Participation in MO HealthNet Managed Care for those areas of the state where it is available is mandatory for these eligibility categories:

- MO HealthNet for Families;
- MO HealthNet for Kids;
- Refugees;
- MO HealthNet for Pregnant Women;
- Children in state care and custody; and
- CHIP

PROGRAM DESCRIPTION

Department: Social Services

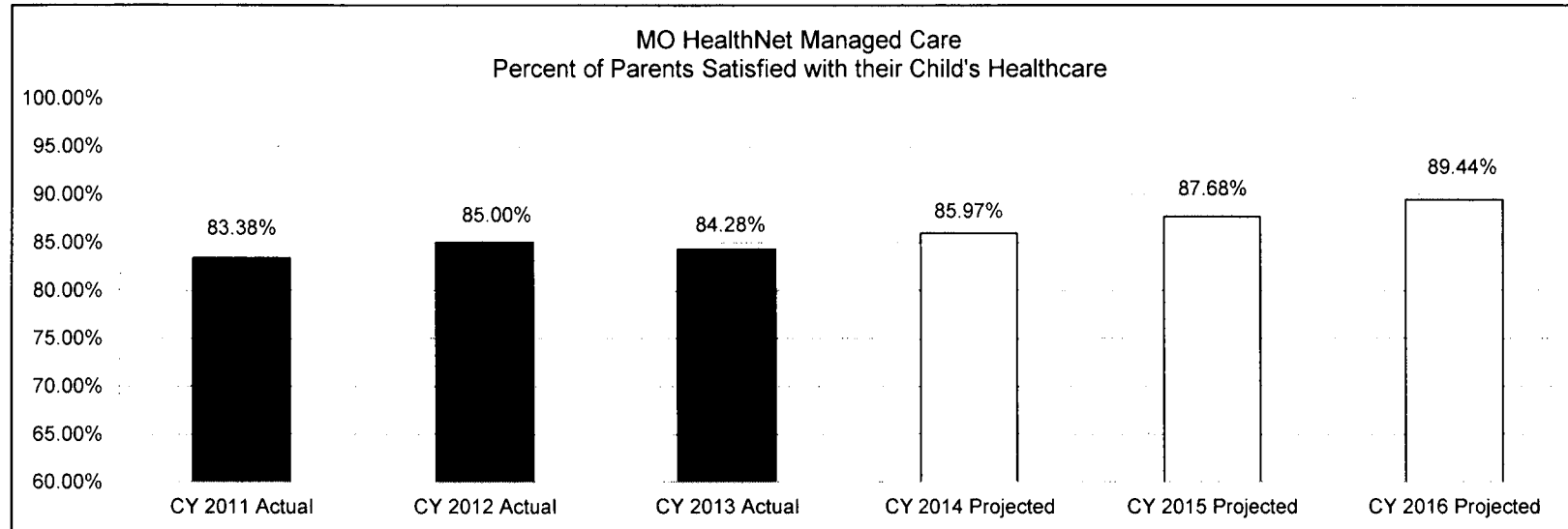
HB Section: 11.507

Program Name: Statewide Managed Care Expansion

Program is found in the following core budget(s): Statewide Managed Care Expansion

7d. Provide a customer satisfaction measure, if available.

When parents were asked if they were satisfied with the health care their child received through their MO HealthNet Managed Care plan, over 84% responded that they were satisfied in 2013.



* Updated measures will be available after October 2015.

Customer Satisfaction Measure: Increase the percentage of parents who were satisfied with the health care their child received through MO HealthNet Managed Care.

Hospital Care

DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
HOSPITAL CARE								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	215,827	0.00	150,000	0.00	150,000	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	388,929	0.00	365,000	0.00	365,000	0.00	0	0.00
FEDERAL REIMBURSEMENT ALLOWANCE	576,313	0.00	215,000	0.00	215,000	0.00	0	0.00
HEALTH INITIATIVES	383,171	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	1,564,240	0.00	730,000	0.00	730,000	0.00	0	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	23,959,991	0.00	1,481,839	0.00	1,481,839	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	511,685,757	0.00	356,367,911	0.00	356,367,911	0.00	0	0.00
UNCOMPENSATED CARE FUND	33,848,436	0.00	0	0.00	0	0.00	0	0.00
FEDERAL REIMBURSEMENT ALLOWANCE	175,224,442	0.00	177,585,755	0.00	177,585,755	0.00	0	0.00
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	15,709	0.00	15,709	0.00	0	0.00
HEALTH INITIATIVES	8,512,705	0.00	0	0.00	0	0.00	0	0.00
HEALTHY FAMILIES TRUST	38,795,381	0.00	40,365,444	0.00	40,365,444	0.00	0	0.00
PREMIUM	4,488,050	0.00	0	0.00	0	0.00	0	0.00
TOTAL - PD	796,514,762	0.00	575,816,658	0.00	575,816,658	0.00	0	0.00
TOTAL	798,079,002	0.00	576,546,658	0.00	576,546,658	0.00	0	0.00
MHD FY17 Cost to Continue - 1886001								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	32,148,678	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	11,190,528	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	43,339,206	0.00	0	0.00
TOTAL	0	0.00	0	0.00	43,339,206	0.00	0	0.00
ABLE Accounts - 1886039								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	822,442	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	2,151,440	0.00	0	0.00

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DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
HOSPITAL CARE								
ABLE Accounts - 1886039								
PROGRAM-SPECIFIC								
FEDERAL REIMBURSEMENT ALLOWANCE	0	0.00	0	0.00	436,008	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	3,409,890	0.00	0	0.00
TOTAL	0	0.00	0	0.00	3,409,890	0.00	0	0.00
GRAND TOTAL	\$798,079,002	0.00	\$576,546,658	0.00	\$623,295,754	0.00	\$0	0.00

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im_disummary

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Hospital Care

Budget Unit: 90552C

HB Section: 11.510

1. CORE FINANCIAL SUMMARY

	FY 2017 Budget Request			
	GR	Federal	Other	Total
PS				
EE	150,000	365,000	215,000	730,000
PSD	1,481,839	356,367,911	217,966,908	575,816,658
TRF				
Total	1,631,839	356,732,911	218,181,908	576,546,658

FTE

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Uncompensated Care Fund (UCF) (0108)
Federal Reimbursement Allowance Fund (FRA) (0142)
Health Initiatives Fund (HIF) (0275)
Healthy Families Trust Fund (0625)
Pharmacy Reimbursement Allowance (0144)
Premium Fund (0885)

	FY 2017 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0

FTE

0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

This core request is for ongoing funding to reimburse hospitals for services provided to fee-for-service MO HealthNet participants. Funding for this core is used to Maintain hospital reimbursement at a sufficient level to ensure quality health care and provider participation.

3. PROGRAM LISTING (list programs included in this core funding)

Inpatient and Outpatient hospital services.

CORE DECISION ITEM

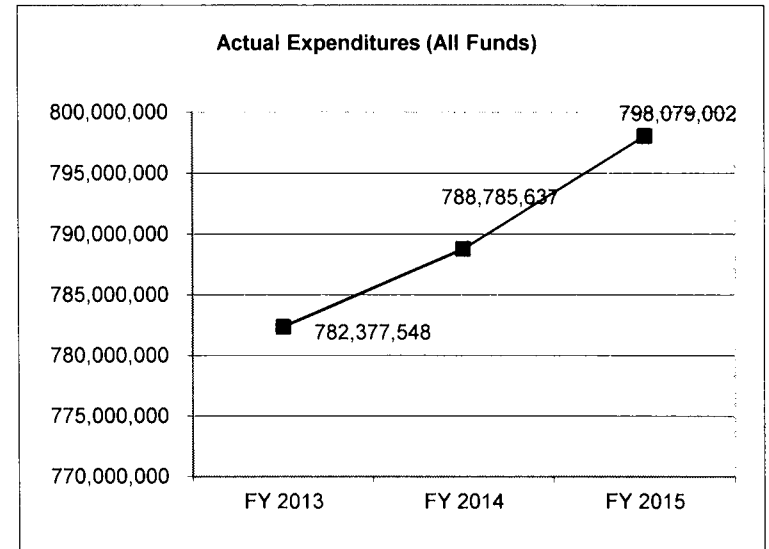
Department: Social Services
Division: MO HealthNet
Core: Hospital Care

Budget Unit: 90552C

HB Section: 11.510

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	810,751,203	854,125,189	800,060,069	576,546,658
Less Reverted (All Funds)	(275,130)	(275,130)	(275,130)	N/A
Less Restricted (All Funds)	0	0	(1,570,063)	N/A
Budget Authority (All Funds)	810,476,073	853,850,059	798,214,876	N/A
Actual Expenditures (All Funds)	782,377,548	788,785,637	798,079,002	N/A
Unexpended (All Funds)	28,098,525	65,064,422	135,874	N/A
Unexpended, by Fund:				
General Revenue	0	3,501,885	0	N/A
Federal	28,096,475	20,473,087	120	N/A
Other	2,050	41,089,450	1,585,773	N/A
		(1)	(2)	



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY14 Supplemental budget of \$30,365,444 GR. Agency Reserves of \$100,000 Federal and \$40,486,106

(2) FY15 Expenditures of \$35,449,532 from the FRA appropriation. Restricted funds are from the Health Families Trust Fund (0625).

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Hospital Care

Budget Unit: 90552C

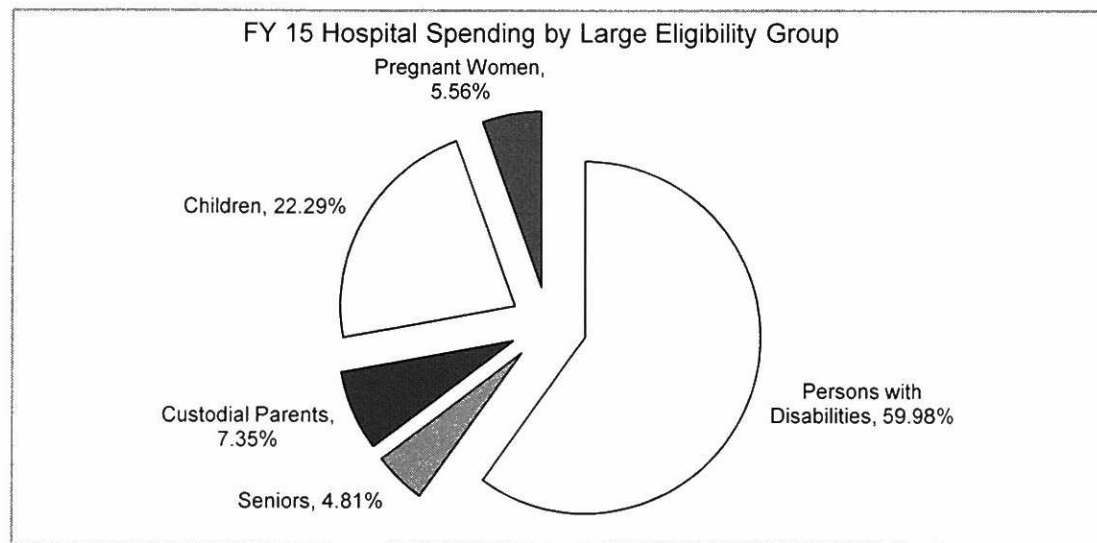
HB Section: 11.510

Cost Per Eligible - Per Member Per Month (PMPM)

	Hospital PMPM	Acute Care PMPM	Total PMPM	Hospital Percentage of Acute	Hospital Percentage of Total
PTD	\$402.22	\$1,074.20	\$1,961.17	37.44%	20.51%
Seniors	\$66.99	\$368.96	\$1,565.89	18.16%	4.28%
Custodial Parents	\$102.21	\$473.61	\$507.28	21.58%	20.15%
Children*	\$47.56	\$274.18	\$303.51	17.35%	15.67%
Pregnant Women	\$243.67	\$657.06	\$671.28	37.08%	36.30%

Source: Table 23 Medical Statistics for FY 15. (Paid Claims Data)

* CHIP eligibles not included



Source: Table 23 Medical Statistics for FY 15. (Paid Claims Data)

The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MO HealthNet (MHD) management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for hospital care, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, drugs, managed care payments, Medicare co-pay/deductibles and other acute services administered by MHD. It does not include nursing facilities, in-home services, mental health services and state institutions. By comparing the hospital PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for hospitals. It provides a snapshot of what eligibility groups are receiving hospital services as well as the populations impacted by program changes.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES HOSPITAL CARE

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	150,000	365,000	215,000	730,000	
	PD	0.00	1,481,839	356,367,911	217,966,908	575,816,658	
	Total	0.00	1,631,839	356,732,911	218,181,908	576,546,658	
DEPARTMENT CORE REQUEST							
	EE	0.00	150,000	365,000	215,000	730,000	
	PD	0.00	1,481,839	356,367,911	217,966,908	575,816,658	
	Total	0.00	1,631,839	356,732,911	218,181,908	576,546,658	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	150,000	365,000	215,000	730,000	
	PD	0.00	1,481,839	356,367,911	217,966,908	575,816,658	
	Total	0.00	1,631,839	356,732,911	218,181,908	576,546,658	

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90552C BUDGET UNIT NAME: Hospital HOUSE BILL SECTION: 11.510	DEPARTMENT: Social Services DIVISION: MO HealthNet
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1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

DEPARTMENT REQUEST

	Core	% Flex Requested	Flex Requested Amount
<i>Total Program Request</i>	\$576,546,658	10%	\$57,654,666
	\$576,546,658	25%	\$144,136,665

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
None.	H.B. 11 language allows for up to 10% flexibility between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.485, 11.490, 11.505, 11.510, 11.550, 11.555, and 11.595 and 25% flexibility for use of this section for managed care.	10% flexibility between sections and 25% flexibility between FFS and Managed Care is being requested for FY 17.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
None.	Flexibility allows DSS to provide continued Medicaid benefits without an interruption in reimbursement to providers or partial payments.

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
HOSPITAL CARE								
CORE								
PROFESSIONAL SERVICES	1,563,740	0.00	730,000	0.00	730,000	0.00	0	0.00
MISCELLANEOUS EXPENSES	500	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	1,564,240	0.00	730,000	0.00	730,000	0.00	0	0.00
PROGRAM DISTRIBUTIONS	796,514,762	0.00	575,816,658	0.00	575,816,658	0.00	0	0.00
TOTAL - PD	796,514,762	0.00	575,816,658	0.00	575,816,658	0.00	0	0.00
GRAND TOTAL	\$798,079,002	0.00	\$576,546,658	0.00	\$576,546,658	0.00	\$0	0.00
GENERAL REVENUE	\$24,175,818	0.00	\$1,631,839	0.00	\$1,631,839	0.00		0.00
FEDERAL FUNDS	\$512,074,686	0.00	\$356,732,911	0.00	\$356,732,911	0.00		0.00
OTHER FUNDS	\$261,828,498	0.00	\$218,181,908	0.00	\$218,181,908	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.510

Program Name: Hospital Care

Program is found in the following core budget(s): Hospital Care

1. What does this program do?

Since 1967, Hospital Care provides payment for inpatient and outpatient hospital services for MO HealthNet fee-for-service participants. Hospital services, both inpatient and outpatient, are an essential part of a health care delivery system. These services are mandatory Medicaid covered services and are provided statewide.

MO HealthNet inpatient hospital services are medical services provided in a hospital acute or psychiatric care setting for the care and treatment of MO HealthNet participants.

MO HealthNet outpatient hospital services include preventive, diagnostic, emergency, therapeutic, rehabilitative or palliative services provided in an outpatient setting. Examples of outpatient services are emergency room services, physical therapy, ambulatory surgery, or any service or procedure performed prior to admission.

Providers

To participate in the MO HealthNet fee-for-service program, hospitals must first meet particular requirements. Hospitals must be licensed and certified by the Missouri Department of Health and Senior Services for participation in the Title XVIII Medicare program. If the hospital is located out-of-state, the hospital must be licensed by that state's department of health or similar agency. If a state does not have a licensing agency, the hospital must be accredited by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO). In addition, the hospital must apply for enrollment and be approved by the Department of Social Services, Missouri Medicaid Audit and Compliance Unit (MMAC).

MO HealthNet

Since FY 82, reimbursement for inpatient hospital stays, also known as per diem rate, is determined by a prospective reimbursement plan. The plan provides for an inpatient hospital reimbursement rate based on the 1995 cost report to reimburse for a specified admission diagnosis.

To establish a per diem reimbursement rate for each hospital, MO HealthNet calculates the lesser of: 1) the number of days assigned by the utilization review agent; 2) the number of days billed as covered services; or 3) the Professional Activity Study (PAS) limitation for any diagnosis not subject to review by the utilization review

A hospital is eligible for a special per diem rate increase if it meets prescribed requirements concerning new inpatient health services or new hospital construction.

Outpatient services, excluding certain diagnostic laboratory procedures and radiology procedures, are paid on a prospective outpatient reimbursement methodology. The prospective outpatient payment percentage is calculated using the MO HealthNet overall outpatient cost-to-charge ratio from the fourth, fifth and sixth prior base year cost reports regressed to the current state fiscal year. The prospective outpatient payment percentage cannot exceed 100% and cannot be less than 20%. New MO HealthNet providers that do not have fourth, fifth and sixth prior year cost reports are set at 75% for the first three fiscal years in which the hospital operates and will have a cost settlement calculated for these years. A prospective outpatient rate is then be calculated and used for the fourth and subsequent years of operation. The weighted average prospective outpatient rate is 26% for FY 16.

Other Reimbursement to Hospitals

Hospitals may also receive reimbursement using funding from the Federal Reimbursement Allowance (FRA) program. The FRA program is a funding source for inpatient and outpatient services.

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Hospital Care

HB Section: 11.510

Program is found in the following core budget(s): Hospital Care

Under the FRA program, hospitals pay a federal reimbursement allowance (i.e. provider tax) for the privilege of doing business in the state. The assessment is a percentage levied against both net hospital inpatient revenue and net hospital outpatient revenue. The assessment rate for FY 2016 is 5.95%. The net inpatient and net outpatient revenues are determined from the hospitals' Medicare/Medicaid cost reports that are filed annually with the MO HealthNet Division. The MO HealthNet Division uses funds generated from the FRA program as the equivalent of General Revenue funds. The funds are distributed to the hospitals through a combination of

The payments include funding for: inpatient per diem payments; outpatient payments; and add-on payments such as direct Medicaid payments, uninsured (DSH), and utilization add-on payments (only applies to safety net hospitals and Children's Hospitals).

The method of reimbursing hospitals for the add-on payments is different depending on if they are a safety net hospital or a disproportionate share hospital (DSH). The DSH hospitals are classified as either first tier, second tier, or other DSH depending on the result of an analysis of annual hospital cost reports.

DSH Criteria:

1. If the facility offered nonemergency obstetric services as of December 21, 1987, there must be at least 2 obstetricians with staff privileges who have agreed to provide obstetric services to MO HealthNet participants. Rural hospitals, as defined by the federal Executive Office of Management and Budget, may qualify any physician with staff privileges as an obstetrician. This section does not apply to hospitals either with inpatients predominantly under 18 years of age or which did not offer nonemergency obstetric services as of December 21, 1987; and
2. The hospital meets one of the following:
 - a. The MO HealthNet inpatient utilization rate is at least one standard deviation above the state's mean MO HealthNet inpatient utilization rate for all Missouri hospitals; or
 - b. The utilization of services by low-income clients is greater than 25% of their total utilization.
3. The hospital meets one of the following:
 - a. The unsponsored care ratio is at least 10%; or
 - b. The hospital is ranked in the top 15 hospitals based on MO HealthNet patient days and their MO HealthNet nursery and neonatal utilization is greater than 35% of the hospital's total nursery and neonatal utilization; or
 - c. At least 9% of the hospital's MO HealthNet days are provided in the hospital's neonatal unit.
4. The hospital annually provides more than 5,000 Title XIX days of care and the Title XIX nursery days represent more than 50% of the hospital's total nursery days.
5. The hospital does not meet the requirements set forth in paragraphs 1 - 4 above, but has a Medicaid inpatient utilization percentage of at least 1% for Medicaid eligible participants.

A hospital's DSH designation depends on which of the above criteria it meets:

1. 1st Tier DSH -- The hospital meets the criteria in paragraphs 1 and 3;
2. 2nd Tier DSH -- The hospital meets the criteria in paragraphs 1 and 2 or paragraphs 1 and 4;
3. Other DSH -- The hospital meets the criteria in paragraph 5.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.510

Program Name: Hospital Care

Program is found in the following core budget(s): Hospital Care

A hospital can qualify as a safety net hospital if:

1. It meets the criteria set forth above in paragraphs 1 and 2 above; and,
2. It meets one of the following criteria:
 - a. The unsponsored care (charity care) ratio is at least 65% and is licensed for less than 50 inpatient beds; or
 - b. The unsponsored care ratio is at least 65% and is licensed for 50 inpatient beds or more and has an occupancy rate of more than 40%; or
 - c. It is operated by the Board of Curators as defined in chapter 172 RSMo; or
 - d. It is operated by the Department of Mental Health.

For a more detailed description of the FRA program see the FRA narrative.

Cost Containment Initiatives

Certification of inpatient hospital stays to assure clinical appropriateness is used to control costs. Most of the certifications are requested on-line using CyberAccess, while some are done via telephone with a utilization review agent. Admission and continued stay certifications are performed for all fee-for-service MO HealthNet participants admitted to acute care hospitals except for certain pregnancy, delivery and newborn diagnoses, and for participants who are eligible for both Medicare and MO HealthNet. The certifications are done to ensure that hospital admission and each day of inpatient care are medically necessary. The certification may be performed prior to admission or post admission, but must take place prior to discharge.

In July 2010, the MO HealthNet Division, in conjunction with Xerox (formerly ACS-Heritage) and MedSolutions (MSI), implemented a quality-based Radiology Benefit Management Program (RBM). The RBM requires pre-certifications for high-tech radiology procedures including MRIs and CTs of the brain, head, chest and spine. The RBM works to determine clinical appropriateness of the usage of high-tech radiology services and cardiac imaging, and provides guidelines for application and use based on expert information and evidence-based data. Pre-certification requests are reviewed using nationally accepted clinical guidelines. These guidelines are used to ensure the appropriate scope, complexity and clinical need of the tests that will be performed.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2), 1923(a)-(f);

Federal regulations: 42 CFR 440.10 and 440.20

3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures made in accordance with the approved State Plan. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY 16 is a blended 63.323% federal match. The state matching requirement is 36.677%.

4. Is this a federally mandated program? If yes, please explain.

Yes, if the state elects to have a Medicaid program.

PROGRAM DESCRIPTION

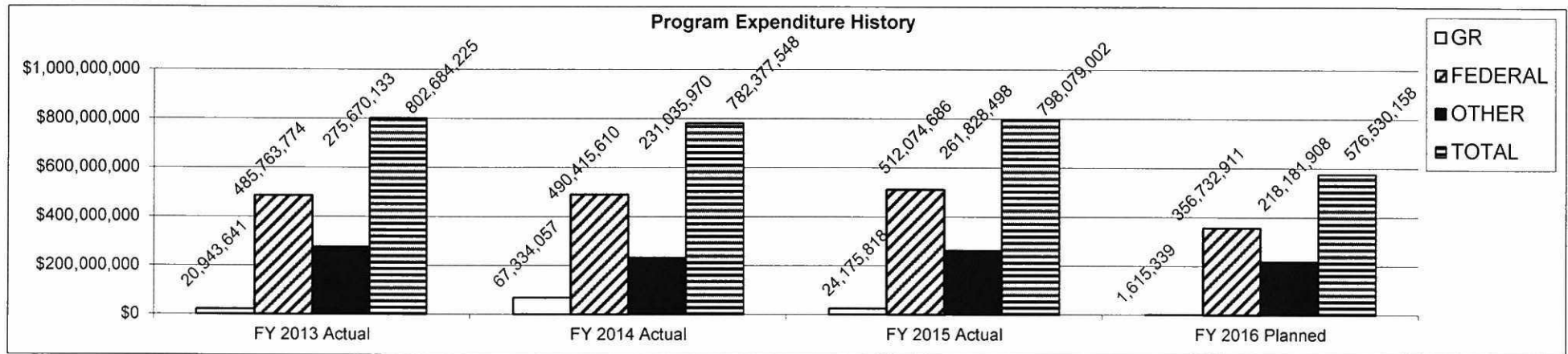
Department: Social Services

HB Section: 11.510

Program Name: Hospital Care

Program is found in the following core budget(s): Hospital Care

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY 2016 is net of reverted and reserved.

6. What are the sources of the "Other " funds?

Uncompensated Care Fund (0108), Federal Reimbursement Allowance Fund (0142), Health Initiatives Fund (0275), Third Party Liability Collections Fund (0120), Healthy Families Trust Fund (0625) and Pharmacy Reimbursement Allowance Fund (0144), Premium Fund (0885)

PROGRAM DESCRIPTION

Department: Social Services

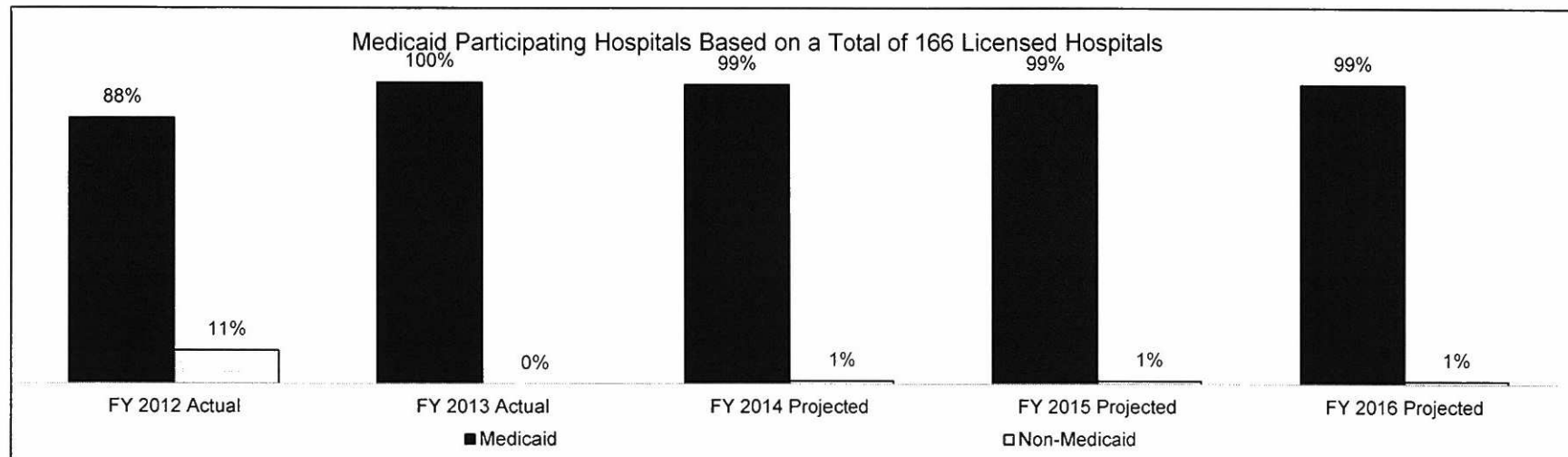
HB Section: 11.510

Program Name: Hospital Care

Program is found in the following core budget(s): Hospital Care

7a. Provide an effectiveness measure.

Provide reimbursement that is sufficient to ensure hospitals enroll in the MO HealthNet program. In SFY 2013, 100% of licensed hospitals in the state participated in the MO HealthNet program.



Inpatient and outpatient services are available to all fee-for-service MO HealthNet participants. In regions of the state where Managed Care has been implemented, participants have hospital services available through the Managed Care health plans

SFY	No. of Inpatient Days		No. of Outpatient Services	
	Projected	Actual	Projected	Actual
2011		699,182		12,143,969
2012	773,304	668,881	12,568,000	13,729,908
2013	682,380	641,191	14,279,000	15,126,479
2014	641,191		15,126,479	
2015	641,191		15,126,479	
2016	641,191		15,126,479	

PROGRAM DESCRIPTION

Department: Social Services

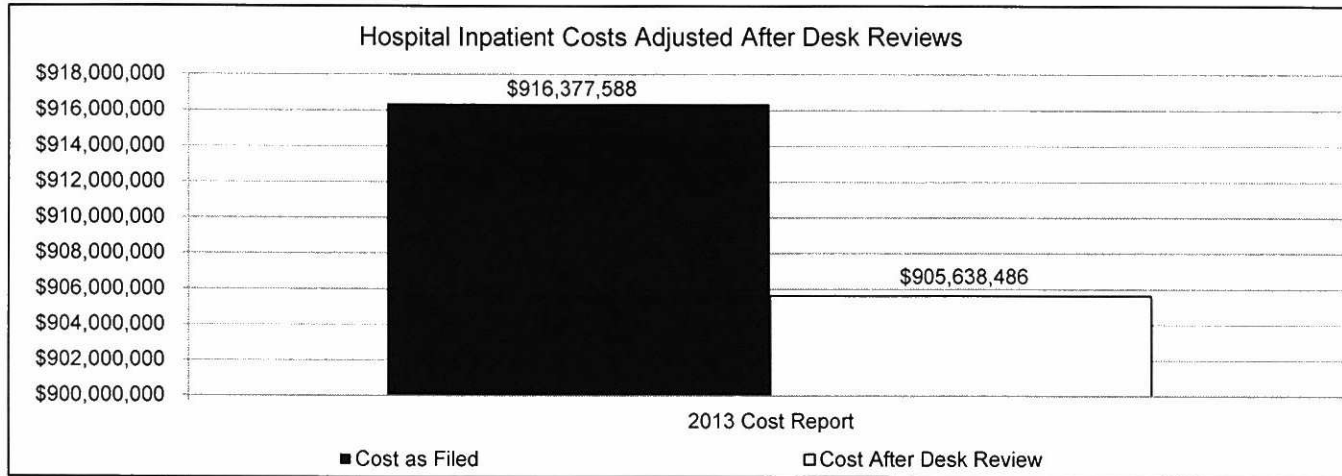
Program Name: Hospital Care

Program is found in the following core budget(s): Hospital Care

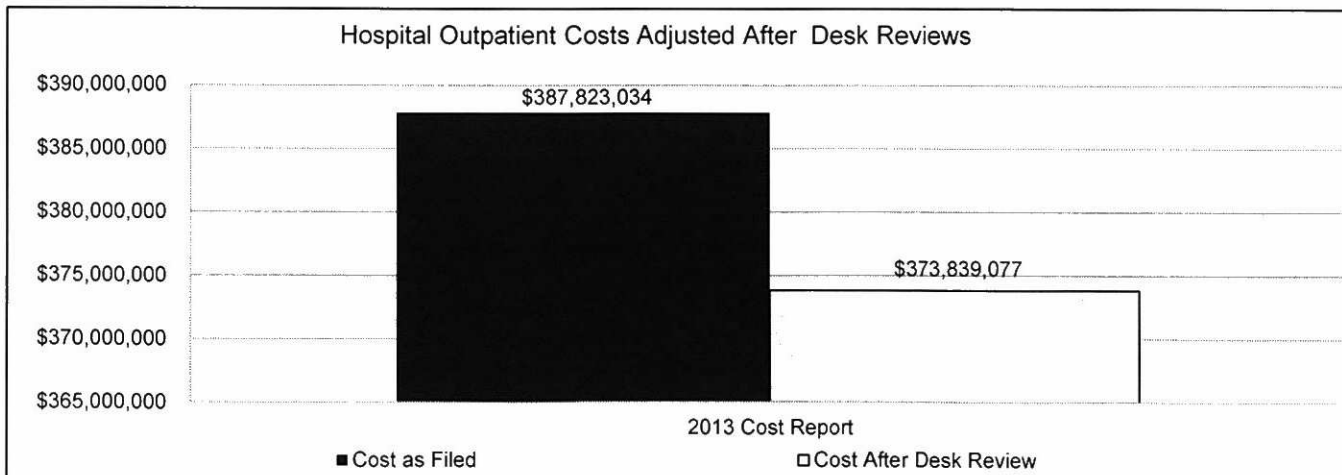
HB Section: 11.510

7b. Provide an efficiency measure.

Ensure hospital inpatient Medicaid costs included in determining MO HealthNet inpatient reimbursement rates are allowable by performing desk reviews of the providers cost reports. During the 2011 fiscal year cost report desk reviews, over \$8 million of hospital costs were disallowed as a result of MHD desk reviews.



Ensure hospital outpatient Medicaid costs included in determining MO HealthNet outpatient reimbursement rates are allowable by performing desk reviews of the providers cost reports. During the 2011 fiscal year desk reviews, over \$18 million of hospital costs were disallowed as a result of MHD desk reviews.



PROGRAM DESCRIPTION

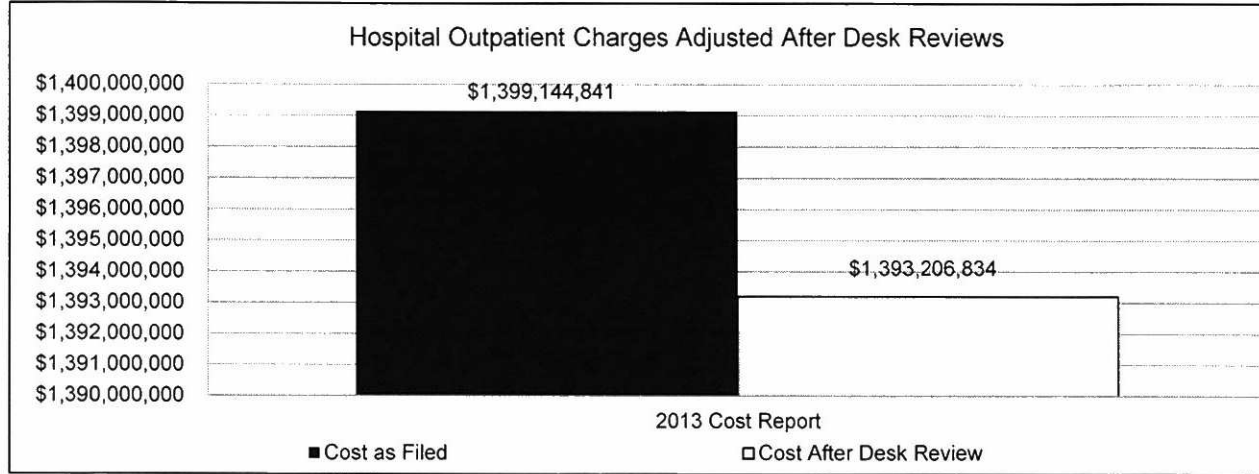
Department: Social Services

HB Section: 11.510

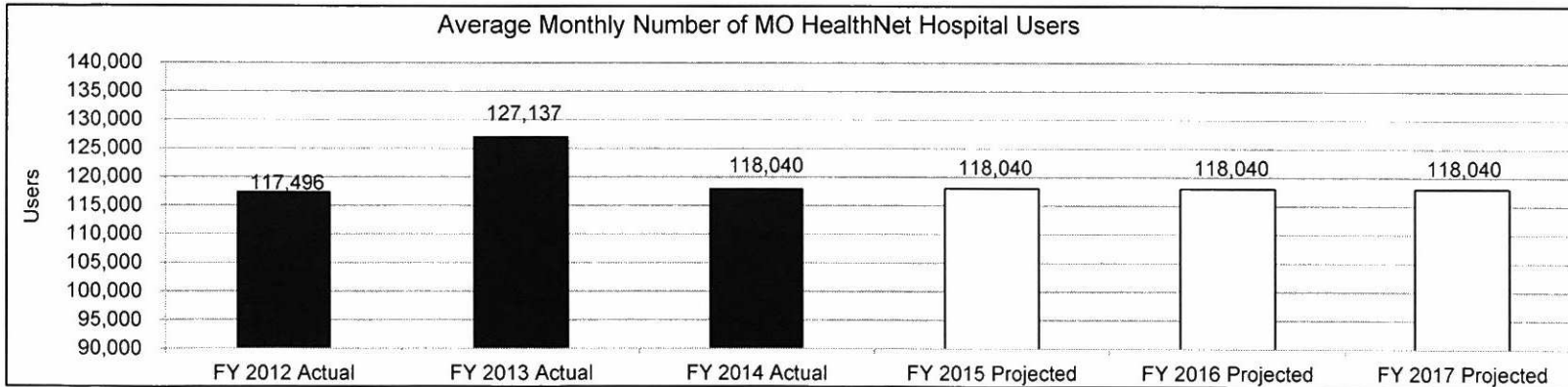
Program Name: Hospital Care

Program is found in the following core budget(s): Hospital Care

Ensure hospital outpatient Medicaid charges included in determining MO HealthNet outpatient reimbursement rates are allowable by performing desk reviews of the providers cost reports. During the 2011 fiscal year, over \$59 million of hospital charges were disallowed as a result of MHD desk reviews. Note: Not all of the cost reports for 2011 had been desk reviewed as of the date this information was provided.



7c. Provide the number of clients/individuals served, if applicable.



7d. Provide a customer satisfaction measure, if available.

N/A

Physicians Payments For Safety Net

DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN	
PHYSICIAN PAYMENTS SAFETY NET									
CORE									
PROGRAM-SPECIFIC									
TITLE XIX-FEDERAL AND OTHER	8,000,000	0.00	8,000,000	0.00	8,000,000	0.00	0	0.00	
TOTAL - PD	8,000,000	0.00	8,000,000	0.00	8,000,000	0.00	0	0.00	
TOTAL	8,000,000	0.00	8,000,000	0.00	8,000,000	0.00	0	0.00	
GRAND TOTAL	\$8,000,000	0.00	\$8,000,000	0.00	\$8,000,000	0.00	\$0	0.00	

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CORE DECISION ITEM

Department: Social Services
 Division: MO HealthNet
 Core: Physician Payments for Safety Net Hospitals

Budget Unit: 90558C
 HB Section: 11.515

1. CORE FINANCIAL SUMMARY

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD		8,000,000		8,000,000
TRF				
Total		8,000,000		8,000,000

FTE

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0

FTE

0.00

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

2. CORE DESCRIPTION

Safety Net hospitals are critical providers of care to the Medicaid and uninsured populations and must be able to attract and maintain a sufficient supply of qualified physicians in order to provide quality services. This core provides funding for enhanced payments to Truman Medical Center Physicians and University of Missouri-Kansas City Physicians.

3. PROGRAM LISTING (list programs included in this core funding)

Physician Payments for Safety Net

CORE DECISION ITEM

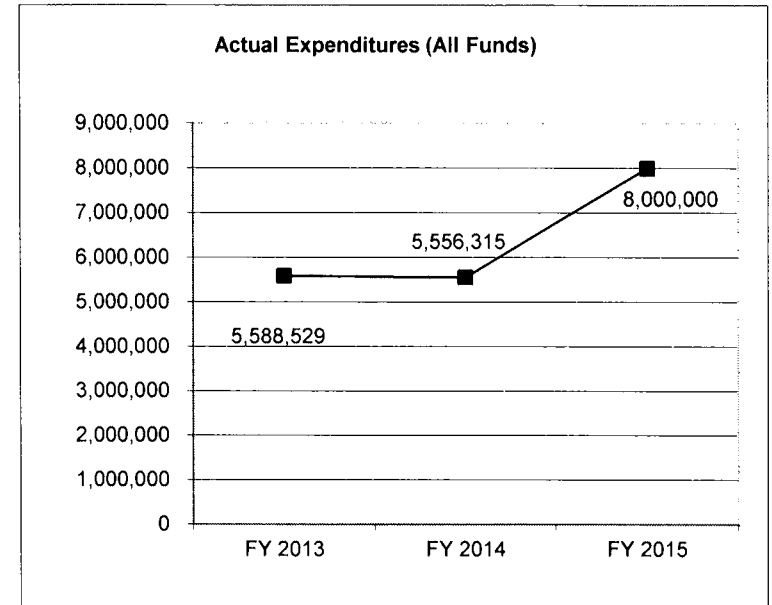
Department: Social Services
Division: MO HealthNet
Core: Physician Payments for Safety Net Hospitals

Budget Unit: 90558C

HB Section: 11.515

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	8,000,000	8,000,000	8,000,000	8,000,000
Less Reverted (All Funds)	0	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	8,000,000	8,000,000	8,000,000	N/A
Actual Expenditures (All Funds)	5,588,529	5,556,315	8,000,000	N/A
Unexpended (All Funds)	2,655,022	2,411,471	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	2,655,022	2,411,471	0	N/A
Other	0	0	0	N/A
	(1)	(2)		



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY 13 Lapse of \$2,411,471 in excess federal authority.

(2) FY 14 Lapse of \$2,443,685 in excess federal authority.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES PHYSICIAN PAYMENTS SAFETY NET

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	0	8,000,000	0	8,000,000	
	Total	0.00	0	8,000,000	0	8,000,000	
DEPARTMENT CORE REQUEST							
	PD	0.00	0	8,000,000	0	8,000,000	
	Total	0.00	0	8,000,000	0	8,000,000	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	0	8,000,000	0	8,000,000	
	Total	0.00	0	8,000,000	0	8,000,000	

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
PHYSICIAN PAYMENTS SAFETY NET								
CORE								
PROGRAM DISTRIBUTIONS	8,000,000	0.00	8,000,000	0.00	8,000,000	0.00	0	0.00
TOTAL - PD	8,000,000	0.00	8,000,000	0.00	8,000,000	0.00	0	0.00
GRAND TOTAL	\$8,000,000	0.00	\$8,000,000	0.00	\$8,000,000	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$8,000,000	0.00	\$8,000,000	0.00	\$8,000,000	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.515

Program Name: Physician Payments for Safety Net Hospitals

Program is found in the following core budget(s): Physician Payments for Safety Net Hospitals

1. What does this program do?

Provides enhanced physician reimbursement payments for services provided to MO HealthNet participants by certain hospitals designated as safety net hospitals. There are two hospitals which currently qualify as safety net hospitals--Truman Medical Center and University of Missouri Kansas City. Safety net hospitals traditionally see a high volume of Medicaid and uninsured patients, therefore this program was established to provide a mechanism to fund enhanced payments to these hospitals. Safety Net hospitals are also critical providers of care to the Medicaid and uninsured populations and must be able to attract and maintain a sufficient supply of qualified physicians in order to provide quality services. Appropriated funding is based on the following projections:

- | | |
|--|-------------|
| • Enhanced Payment for Truman Medical Center Physicians | \$3,000,000 |
| • Enhanced Payment for University of Missouri-Kansas City Physicians | \$5,000,000 |

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2), 1923(a)-(f);
Federal regulations: 42 CFR 440.10 and 440.20

3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY16 is a blended 63.323% federal match. The state matching requirement is 36.677%. For those public entities identified above who use state and local general revenue to provide eligible services to MO HealthNet participants, the MO HealthNet Division provides payment of the federal share for these eligible services.

4. Is this a federally mandated program? If yes, please explain.

No.

PROGRAM DESCRIPTION

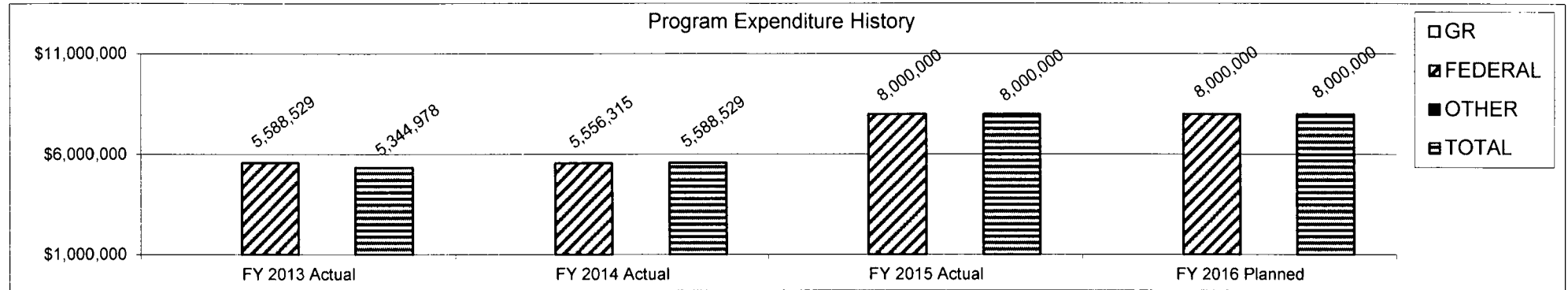
Department: Social Services

HB Section: 11.515

Program Name: Physician Payments for Safety Net Hospitals

Program is found in the following core budget(s): Physician Payments for Safety Net Hospitals

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other" funds?

N/A

7a. Provide an effectiveness measure.

FY 15 Comparison of Enhanced Reimbursement to Fee Schedule Rates

Facility	Actual Reimbursement	Reimbursement Based on Fee Schedule	Enhanced Reimbursement
Truman Medical Center	\$4,927,267.62	\$2,914,034.34	\$2,013,233.28
University of Missouri-Kansas City	\$6,086,505.32	\$3,304,942.62	\$2,781,562.70

7b. Provide an efficiency measure.

FY 15 Participating Physicians

Truman Medical Center	134
University of Missouri-Kansas City	210

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.515

Program Name: Physician Payments for Safety Net Hospitals

Program is found in the following core budget(s): Physician Payments for Safety Net Hospitals

7c. Provide the number of clients/individuals served, if applicable.

FY 15 MO HealthNet Participants Served

Truman Medical Center	15,874
University of Missouri-Kansas City	9,872

7d. Provide a customer satisfaction measure, if available.

N/A

FQHC Distribution

DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
FQHC DISTRIBUTION								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	6,467,140	0.00	6,108,559	0.00	6,108,559	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	4,309,049	0.00	7,696,009	0.00	7,696,009	0.00	0	0.00
TAX AMNESTY FUND	0	0.00	38,417	0.00	38,417	0.00	0	0.00
TOTAL - PD	10,776,189	0.00	13,842,985	0.00	13,842,985	0.00	0	0.00
TOTAL	10,776,189	0.00	13,842,985	0.00	13,842,985	0.00	0	0.00
GRAND TOTAL	\$10,776,189	0.00	\$13,842,985	0.00	\$13,842,985	0.00	\$0	0.00

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CORE DECISION ITEM

Department: Social Services
 Division: MO HealthNet
 Core: Federally Qualified Health Centers (FQHC) Distribution

Budget Unit: 90559C

HB Section: 11.520

1. CORE FINANCIAL SUMMARY

	FY 2017 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	6,108,559	7,696,009	38,417	13,842,985
TRF				
Total	6,108,559	7,696,009	38,417	13,842,985

FTE

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Tax Amnesty Fund (0470)

	FY 2017 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0

FTE

0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

2. CORE DESCRIPTION

This core request is to allow Federally Qualified Health Centers (FQHCs) to provide services in their facilities and improve access to health care for the uninsured and under-insured. Funding for this core is for equipment and infrastructure in the FQHC and to cover the expense of providing health care services in the FQHC setting. In addition, the core request is for funding payments for Health Home sites.

3. PROGRAM LISTING (list programs included in this core funding)

Federally Qualified Health Centers (FQHC)

CORE DECISION ITEM

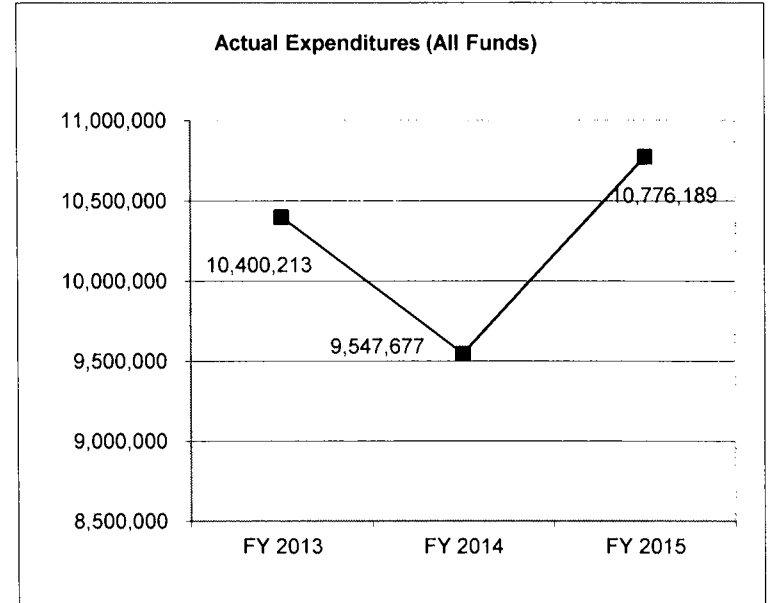
Department: Social Services
Division: MO HealthNet
Core: Federally Qualified Health Centers (FQHC) Distribution

Budget Unit: 90559C

HB Section: 11.520

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	14,820,000	15,570,000	14,449,149	13,842,985
Less Reverted (All Funds)	(120,600)	(143,100)	(204,584)	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	14,699,400	15,426,900	14,244,565	N/A
Actual Expenditures (All Funds)	10,400,213	9,547,677	10,776,189	N/A
Unexpended (All Funds)	4,299,187	5,879,223	3,468,376	N/A
Unexpended, by Fund:				
General Revenue	0	98,100	147,735	N/A
Federal	4,299,187	5,879,223	3,320,641	N/A
Other	0	0	0	N/A
	(1)	(2)		



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

Notes:

(1) FY13 Estimated appropriation or "E" status removed.

(2) FY14 Agency reserve of \$5,700,000 Federal due to mid year FMAP revision from a 90/10 split to regular FMAP.

(3) FY15 lapse due to excess federal authority.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES FQHC DISTRIBUTION

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	6,108,559	7,696,009	38,417	13,842,985	
	Total	0.00	6,108,559	7,696,009	38,417	13,842,985	
DEPARTMENT CORE REQUEST							
	PD	0.00	6,108,559	7,696,009	38,417	13,842,985	
	Total	0.00	6,108,559	7,696,009	38,417	13,842,985	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	6,108,559	7,696,009	38,417	13,842,985	
	Total	0.00	6,108,559	7,696,009	38,417	13,842,985	

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
FQHC DISTRIBUTION								
CORE								
PROGRAM DISTRIBUTIONS	10,776,189	0.00	13,842,985	0.00	13,842,985	0.00	0	0.00
TOTAL - PD	10,776,189	0.00	13,842,985	0.00	13,842,985	0.00	0	0.00
GRAND TOTAL	\$10,776,189	0.00	\$13,842,985	0.00	\$13,842,985	0.00	\$0	0.00
GENERAL REVENUE	\$6,467,140	0.00	\$6,108,559	0.00	\$6,108,559	0.00		0.00
FEDERAL FUNDS	\$4,309,049	0.00	\$7,696,009	0.00	\$7,696,009	0.00		0.00
OTHER FUNDS	\$0	0.00	\$38,417	0.00	\$38,417	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.520

Program Name: Federally Qualified Health Centers (FQHC) Distribution

Program is found in the following core budget(s): Federally Qualified Health Centers (FQHC) Distribution

1. What does this program do?

FQHCs are community health centers that provide comprehensive primary care to low-income and medically under-served urban and rural communities. Because of an inadequate number of providers, Missourians have found it difficult to find health care providers and are subject to lengthy delays in receiving health care services. In rural areas, these issues are more pronounced as people must frequently travel to larger cities in order to receive necessary care.

Therefore, FQHCs receive various state grants to assist the FQHCs with infrastructure and personnel, so the under-served population will have increased access to health care, especially in medically under-served areas.

Examples of how these grants help expand access to health care services for the low-income and uninsured include: 1) supporting nontraditional hours of operation (weekend and special evening hours) because many Missourians do not have the luxury of accessing care during normal business hours; 2) defraying the costs of caring for the uninsured by accepting uninsured patients and insured patients (an FQHC requirement); and 3) funding staff and infrastructure to provide services not usually accessible to FQHC patients such as dental services.

The Department of Social Services contracts with the Missouri Primary Care Association to act as a fiscal intermediary for the distribution of the FQHC grants, assuring accurate and timely payments to the subcontractors, and to act as a central data collection point for evaluating program impact and outcomes. The Missouri Primary Care Association is recognized as Missouri's single primary care association by the Federal Health Resource Service Administration. The goals of the nation's Primary Care Associations are to partner in the development, maintenance and improvement of access to health care services, reducing disparities in health status between majority and minority populations.

Section 2703 Health Care Home Program

The MO HealthNet Division of the Department of Social Services implemented a Health Home provider program in accordance with Section 2703 of the Affordable Care Act of 2010. Health home sites receive per member per month (PMPM) payments for the additional services they are required to perform. Most of the primary care sites in the Health Home program are FQHC sites. The funding for the current FQHC distribution contract is used as the state share for MO HealthNet primary care health home payments. These payments started in March 2012 for services performed in January 2012. In accordance with the state plan amendment approved by the Centers for Medicare and Medicaid Services (CMS), MO HealthNet grants 2% increases in the health home PMPM rates each January. In state fiscal year 2015, MO HealthNet expanded the number of health home sites. Many of these new sites are FQHC sites.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.153, 208.201, 660.026; Federal law: Social Security Act Section 1905(a)(2); Federal regulation: 42 CFR 440.210

3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY16 is a blended 63.323% federal match. The state matching requirement is 36.677%.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.520

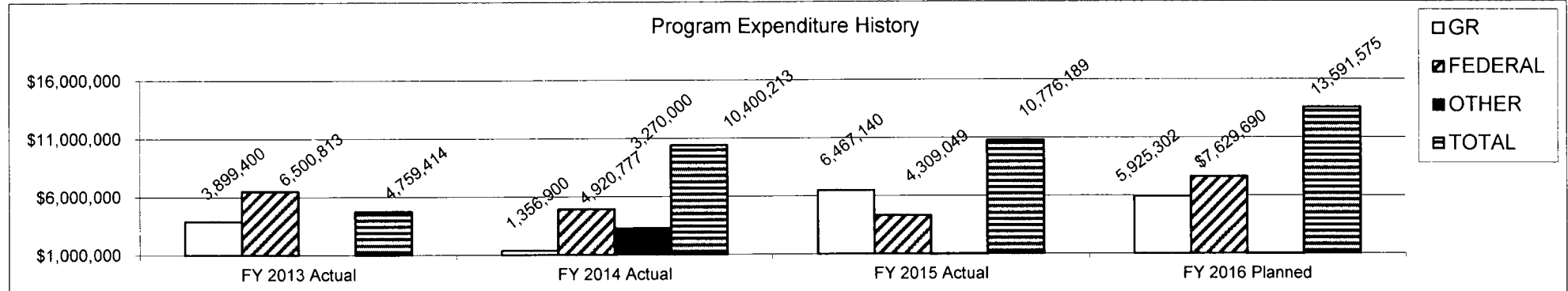
Program Name: Federally Qualified Health Centers (FQHC) Distribution

Program is found in the following core budget(s): Federally Qualified Health Centers (FQHC) Distribution

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY16 planned is net of reserve and reverted.

6. What are the sources of the "Other " funds?

MO Senior Services Protection Fund (0421) in FY14 only. Tax Amnesty Fund (9813) in FY16.

7a. Provide an effectiveness measure.

State grants funded with this appropriation assist in leveraging federal funds from the Federal Bureau of Primary Health Care. The total amount of state grants and federal funds leveraged in calendar year 2014 was \$4,026,900 and \$57,469,765 (2013), respectively.

State Grants

Calendar Year	Total Economic Impact
2011	\$6,786,000
2012	\$3,269,238
2013	\$3,215,867
2014	\$4,026,900

Total Funds Leveraged for Missouri FQHCs

Calendar Year	Total Economic Impact
2011	\$46,710,464
2012	\$48,990,941
2013	\$52,154,746
2014	\$72,003,113

Source: Bureau of Primary Health Care, bphc.hrsa.gov
CY2014 HRSA data is not currently available.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.520

Program Name: Federally Qualified Health Centers (FQHC) Distribution

Program is found in the following core budget(s): Federally Qualified Health Centers (FQHC) Distribution

7b. Provide an efficiency measure.

FQHCs provide primary health care for the uninsured in their local communities. Missouri FQHCs provided primary health care to uninsured individuals in their local communities at a cost of \$685 per user in calendar year 2013.

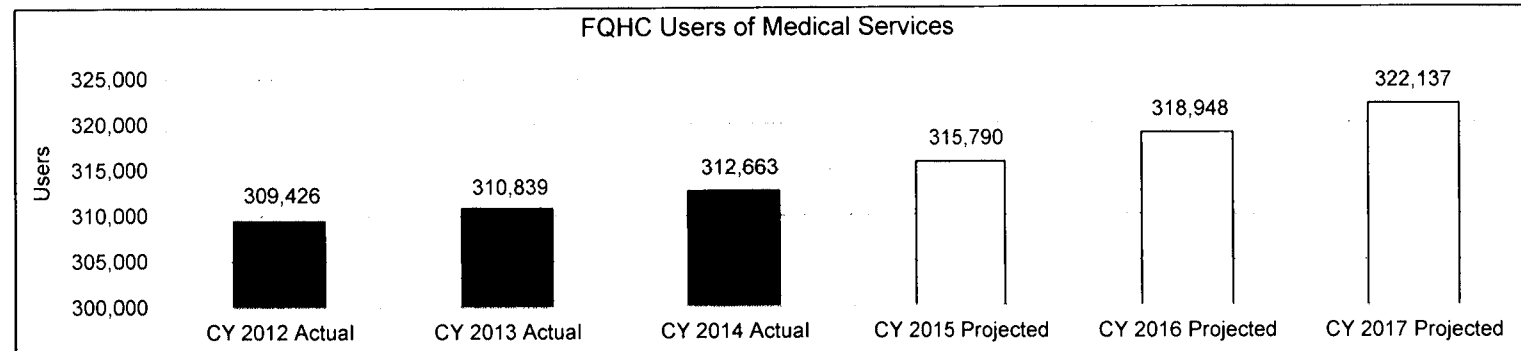
Cost per User

Calendar Year	Cost
2011	\$632
2012	\$658
2013	\$685
2014	\$735

Source: Bureau of Primary Health Care, bphc.hrsa.gov

CY2014 HRSA data is not currently available.

7c. Provide the number of clients/individuals served, if applicable.



Source: Bureau of Primary Health Care (bphc.hrsa.gov)

CY2014 HRSA data is not currently available.

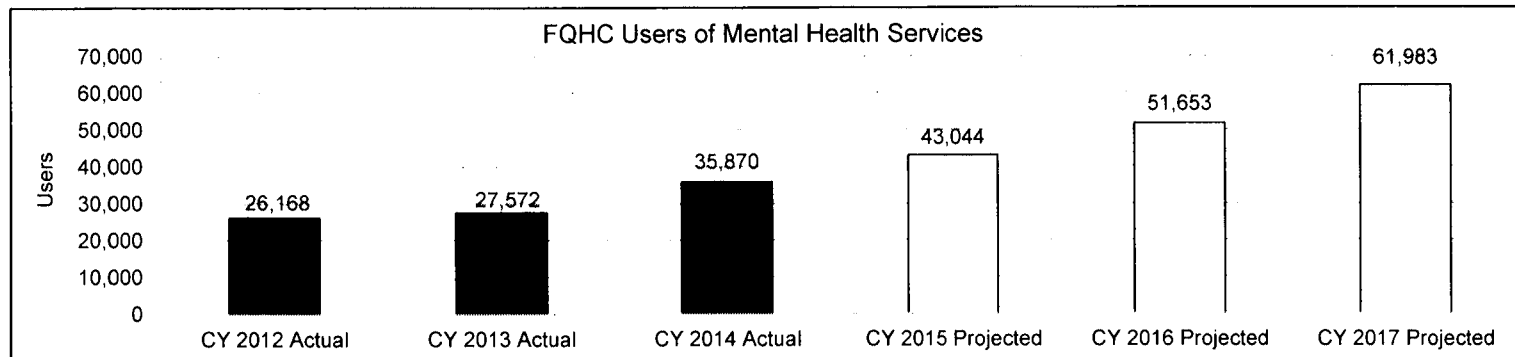
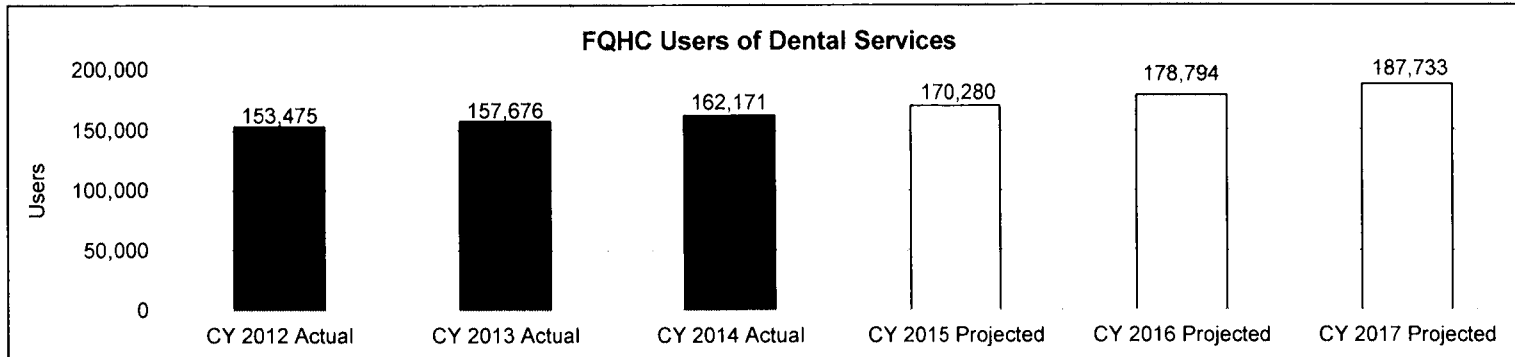
PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.520

Program Name: Federally Qualified Health Centers (FQHC) Distribution

Program is found in the following core budget(s): Federally Qualified Health Centers (FQHC) Distribution



Source: Bureau of Primary Health Care (bphc.hrsa.gov)

CY2014 HRSA data is not currently available.

7d. Provide a customer satisfaction measure, if available.

N/A

IGT Health Care Home

DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
IGT HEALTH CARE HOME								
CORE								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	900,000	0.00	6,900,000	0.00	6,900,000	0.00	0	0.00
INTERGOVERNMENTAL TRANSFER	88,993	0.00	600,000	0.00	600,000	0.00	0	0.00
FEDERAL REIMBURSEMENT ALLOWANCE	100,000	0.00	1,853,934	0.00	1,853,934	0.00	0	0.00
TOTAL - PD	1,088,993	0.00	9,353,934	0.00	9,353,934	0.00	0	0.00
TOTAL	1,088,993	0.00	9,353,934	0.00	9,353,934	0.00	0	0.00
GRAND TOTAL	\$1,088,993	0.00	\$9,353,934	0.00	\$9,353,934	0.00	\$0	0.00

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CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: IGT Health Care Home

Budget Unit: 90574C
HB Section: 11.525

1. CORE FINANCIAL SUMMARY

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD		6,900,000	2,453,934	9,353,934
TRF				
Total		6,900,000	2,453,934	9,353,934

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Intergovernmental Transfers (0139)
Federal Reimbursement Allowance (0142)

FY 2017 Governor's Recommendation				
	GR	Fed	Other	Total
PS				
EE				
PSD				
TRF				
Total				0

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

The core request is for funding payments for MO HealthNet participants through intergovernmental transfers for health home sites affiliated with public entities. Health home sites will receive per-member-per-month (PMPM) payments for the additional services they will be required to perform.

3. PROGRAM LISTING (list programs included in this core funding)

IGT Health Home

CORE DECISION ITEM

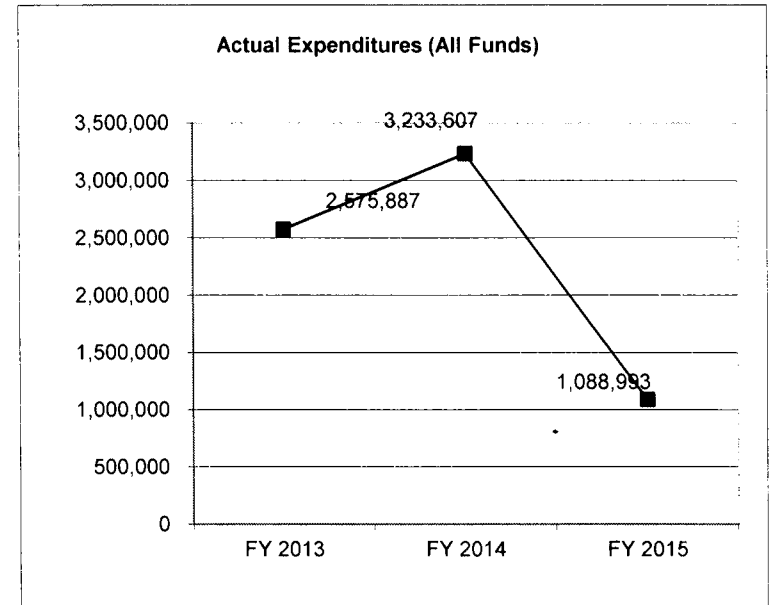
Department: Social Services
Division: MO HealthNet
Core: IGT Health Care Home

Budget Unit: 90574C

HB Section: 11.525

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	7,600,000	7,600,000	7,600,000	9,353,934
Less Reverted (All Funds)	0	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	10,000,000	7,600,000	7,600,000	N/A
Actual Expenditures (All Funds)	2,575,887	3,233,607	1,088,993	N/A
Unexpended (All Funds)	7,424,113	4,366,393	6,511,007	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	4,581,865	4,366,393	6,000,000	N/A
Other	442,248	0	511,007	N/A



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES

IGT HEALTH CARE HOME

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	0	6,900,000	2,453,934	9,353,934	
	Total	0.00	0	6,900,000	2,453,934	9,353,934	
DEPARTMENT CORE REQUEST							
	PD	0.00	0	6,900,000	2,453,934	9,353,934	
	Total	0.00	0	6,900,000	2,453,934	9,353,934	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	0	6,900,000	2,453,934	9,353,934	
	Total	0.00	0	6,900,000	2,453,934	9,353,934	

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
IGT HEALTH CARE HOME								
CORE								
PROGRAM DISTRIBUTIONS	1,088,993	0.00	9,353,934	0.00	9,353,934	0.00	0	0.00
TOTAL - PD	1,088,993	0.00	9,353,934	0.00	9,353,934	0.00	0	0.00
GRAND TOTAL	\$1,088,993	0.00	\$9,353,934	0.00	\$9,353,934	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$900,000	0.00	\$6,900,000	0.00	\$6,900,000	0.00		0.00
OTHER FUNDS	\$188,993	0.00	\$2,453,934	0.00	\$2,453,934	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.525

Program Name: IGT Health Home

Program is found in the following core budget(s): IGT Health Care Home

1. What does this program do?

Section 2703 of the Affordable Care Act (ACA) gives MO HealthNet the option to pay providers to coordinate care through a "Health Home" for individuals with chronic conditions. A health home is a "designated provider" or a health team that provides health home services to an individual with a chronic condition. A "designated provider" can be a physician, clinical practice or clinical group practice, rural clinic, community health center, home health agency, or any other entity or provider that is determined by MO HealthNet to be a qualified health home. A team of health care professionals acting as a health home may include physicians and other professionals such as a nurse care coordinator, nutritionist or social worker. Health homes may be freestanding or based at a hospital or other facility. Health home services include comprehensive care management, care coordination and health promotion, comprehensive transitional care from inpatient to other settings, patient and family support, and referral to community and social support services. Health homes are required to use "health information technology" to link services. Individuals who are eligible for health home services must have at least two chronic conditions or one chronic condition and the risk of having a second.

Clinical care management per member per month (PMPM) payments will be made for the reimbursement of the cost of staff primarily responsible for delivery of health home services (e.g., Nurse Care Managers).

This authority is requested for health home sites that utilize IGT transactions for their state match.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Federal law: ACA Section 2703; Section 1945 of Title XIX of the Social Security Act

3. Are there federal matching requirements? If yes, please explain.

Since December 2013, expenditures are matched at Missouri's current FMAP of 63.323%. The state matching requirement is 36.677%.

4. Is this a federally mandated program? If yes, please explain.

No.

PROGRAM DESCRIPTION

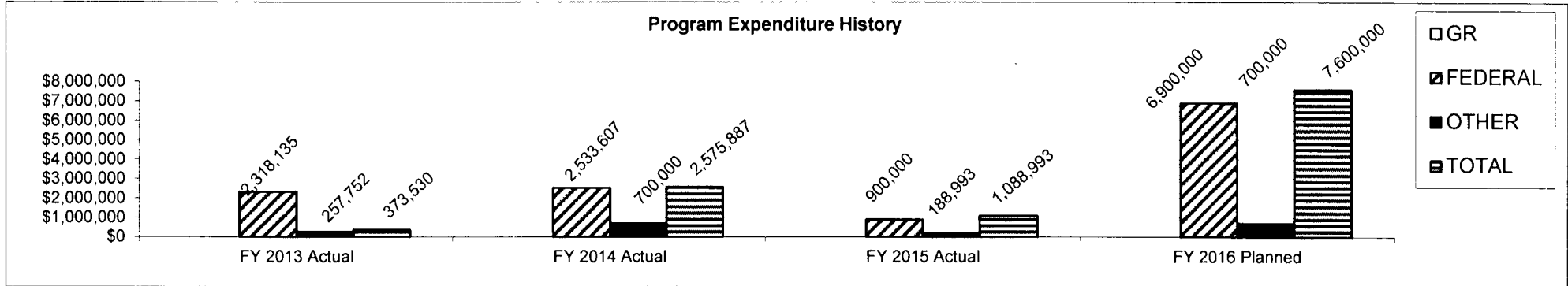
Department: Social Services

HB Section: 11.525

Program Name: IGT Health Home

Program is found in the following core budget(s): IGT Health Care Home

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

Department of Social Services Intergovernmental Transfer Fund (0139), Federal Reimbursement Allowance Fund (0142)

7a. Provide an effectiveness measure.

Health Home Providers

Number of Medical Organizations Participating in Primary Care Health Homes	32
Number of Medical Sites Participating in Primary Care Health Homes	122

7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

Number of Primary Care Health Home Participants 17,290

7d. Provide a customer satisfaction measure, if available.

N/A

Foster Kids Health Homes

DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN	
FOSTER KIDS HEALTH HOME									
CORE									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	250,000	0.00	0	0.00	0	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	450,000	0.00	0	0.00	0	0.00	
TOTAL - PD	0	0.00	700,000	0.00	0	0.00	0	0.00	
TOTAL	0	0.00	700,000	0.00	0	0.00	0	0.00	
GRAND TOTAL	\$0	0.00	\$700,000	0.00	\$0	0.00	\$0	0.00	

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CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Foster Children Health Homes

Budget Unit: 90575C

1. CORE FINANCIAL SUMMARY

	FY 2017 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	0	0		0
TRF				
Total	0	0		0
FTE				0.00

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

	FY 2017 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0
FTE				0.00

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

2. CORE DESCRIPTION

Core funding request for a medical and behavioral health home pilot project for children in foster care in the St. Louis region. This program has been reallocated to the Physician Related Services program.

3. PROGRAM LISTING (list programs included in this core funding)

Foster Children Health Homes

CORE DECISION ITEM

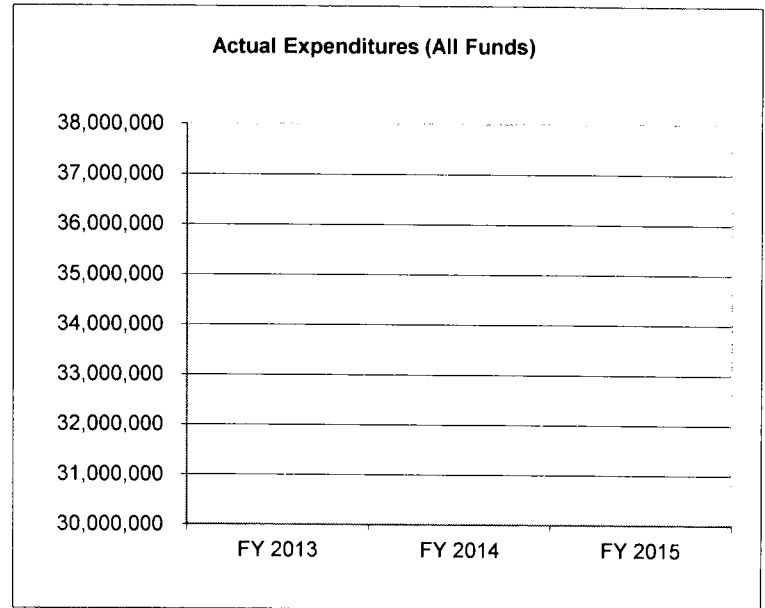
Department: Social Services
Division: MO HealthNet
Core: Foster Children Health Homes

Budget Unit: 90575C

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	0	0	2,500,000	700,000
Less Reverted (All Funds)				
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	0	2,500,000	N/A
Actual Expenditures (All Funds)	0	0	0	N/A
Unexpended (All Funds)	0	0	2,500,000	N/A
Unexpended, by Fund:				
General Revenue	0	0	250,000	N/A
Federal	0	0	2,500,000	N/A
Other	0	0	0	N/A

(1)



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) Funds initially restricted but later released by the Governor, however, timeliness of the release did not allow for implementation of the program.

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
FOSTER KIDS HEALTH HOME**

5. CORE RECONCILIATION DETAIL

				Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES										
				PD	0.00	250,000	450,000	0	700,000	
				Total	0.00	250,000	450,000	0	700,000	
DEPARTMENT CORE ADJUSTMENTS										
Core Reallocation	785	8986	PD	0.00		0	(450,000)	0	(450,000)	Reallocated to Physician.
Core Reallocation	785	8985	PD	0.00		(250,000)	0	0	(250,000)	Reallocated to Physician.
NET DEPARTMENT CHANGES					0.00	(250,000)	(450,000)	0	(700,000)	
DEPARTMENT CORE REQUEST										
				PD	0.00	0	0	0	0	
				Total	0.00	0	0	0	0	
GOVERNOR'S RECOMMENDED CORE										
				PD	0.00	0	0	0	0	
				Total	0.00	0	0	0	0	

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
FOSTER KIDS HEALTH HOME								
CORE								
PROGRAM DISTRIBUTIONS	0	0.00	700,000	0.00	0	0.00	0	0.00
TOTAL - PD	0	0.00	700,000	0.00	0	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$700,000	0.00	\$0	0.00	\$0	0.00
GENERAL REVENUE								
	\$0	0.00	\$250,000	0.00	\$0	0.00		0.00
FEDERAL FUNDS								
	\$0	0.00	\$450,000	0.00	\$0	0.00		0.00
OTHER FUNDS								
	\$0	0.00	\$0	0.00	\$0	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

Program Name: Foster Children Health Homes

Program is found in the following core budget(s):

1. What does this program do?

The purpose the appropriation is for funding a medical and behavioral health home pilot project for children in foster care in the St. Louis region.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

N/A

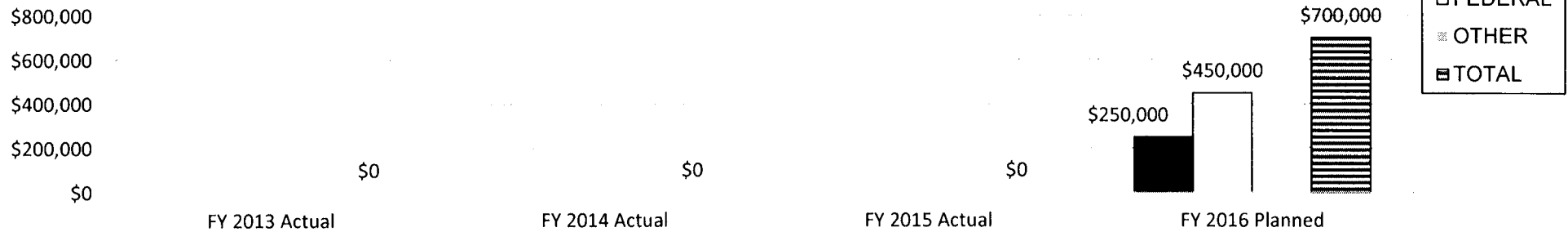
3. Are there federal matching requirements? If yes, please explain.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.

Program Expenditure History



6. What are the sources of the "Other" funds?

N/A

PROGRAM DESCRIPTION

Department: Social Services

Program Name: Foster Children Health Homes

Program is found in the following core budget(s):

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A

Asthma Related Services

DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN	
ASTHMA SERVICES									
CORE									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	400,000	0.00	0	0.00	0	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	3,600,000	0.00	0	0.00	0	0.00	
TOTAL - PD	0	0.00	4,000,000	0.00	0	0.00	0	0.00	
TOTAL	0	0.00	4,000,000	0.00	0	0.00	0	0.00	
GRAND TOTAL	\$0	0.00	\$4,000,000	0.00	\$0	0.00	\$0	0.00	

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CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Asthma Services

Budget Unit: 90575C

1. CORE FINANCIAL SUMMARY

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	0	0	0	0
TRF				
Total	0	0		0
FTE				0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD	0	0		0
TRF				
Total	0	0	0	0
FTE				

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

2. CORE DESCRIPTION

This core request is to provide funding for a asthma related services.

3. PROGRAM LISTING (list programs included in this core funding)

Asthma Services

CORE DECISION ITEM

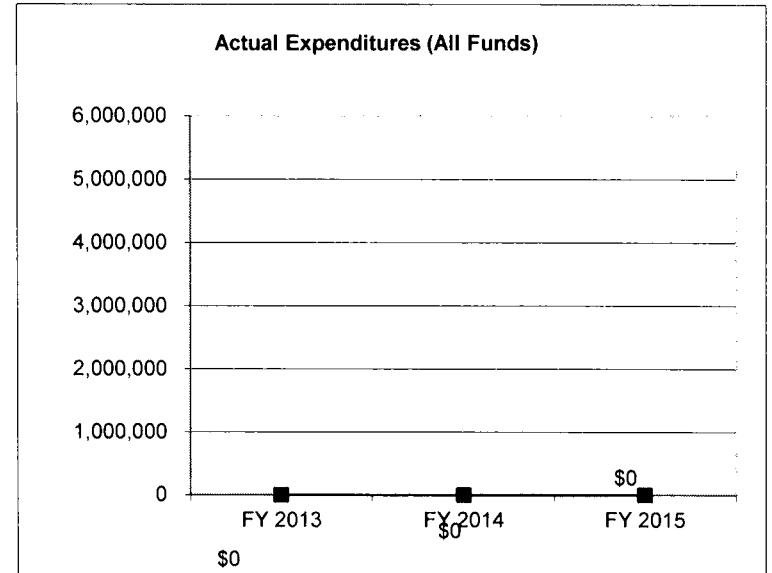
Department: Social Services
Division: MO HealthNet
Core: Asthma Services

Budget Unit: 90575C

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	0	0	5,240,330	4,000,000
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	0	5,240,330	N/A
Actual Expenditures (All Funds)	0	0	0	N/A
Unexpended (All Funds)	0	0	5,240,330	N/A
Unexpended, by Fund:				
General Revenue	0	0	524,033	N/A
Federal	0	0	4,716,297	N/A
Other	0	0	0	N/A

(1)



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) Funds initially restricted but later released by the Governor, however, timeliness of the release did not allow for implementation of the program.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES ASTHMA SERVICES

5. CORE RECONCILIATION DETAIL

				Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES				PD	0.00	400,000	3,600,000	0	4,000,000	
				Total	0.00	400,000	3,600,000	0	4,000,000	
DEPARTMENT CORE ADJUSTMENTS										
Core Reallocation	102	8988	PD	0.00		0	(3,600,000)	0	(3,600,000)	Core reallocation to Physician Related Services Core
Core Reallocation	102	8987	PD	0.00		(400,000)	0	0	(400,000)	Core reallocation to Physician Related Services Core
NET DEPARTMENT CHANGES					0.00	(400,000)	(3,600,000)	0	(4,000,000)	
DEPARTMENT CORE REQUEST				PD	0.00	0	0	0	0	
				Total	0.00	0	0	0	0	
GOVERNOR'S RECOMMENDED CORE				PD	0.00	0	0	0	0	
				Total	0.00	0	0	0	0	

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
ASTHMA SERVICES								
CORE								
PROGRAM DISTRIBUTIONS	0	0.00	4,000,000	0.00	0	0.00	0	0.00
TOTAL - PD	0	0.00	4,000,000	0.00	0	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$4,000,000	0.00	\$0	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$400,000	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$3,600,000	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

Program Name: Asthma Services

Program is found in the following core budget(s):

1. What does this program do?

This program is intended to provide educational services in the St. Louis region for participants with asthma.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

N/A

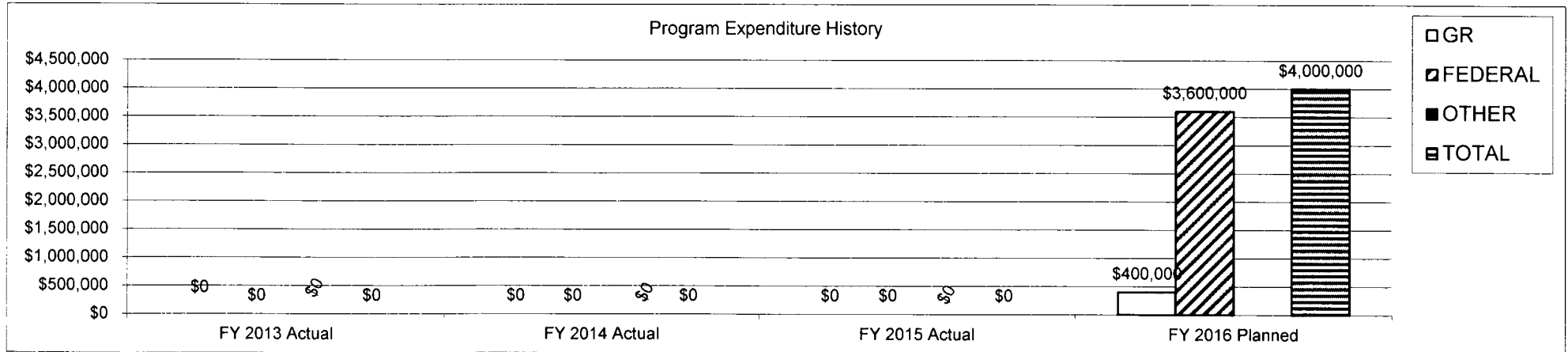
3. Are there federal matching requirements? If yes, please explain.

N/A

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



PROGRAM DESCRIPTION

Department: Social Services

Program Name: Asthma Services

Program is found in the following core budget(s):

6. What are the sources of the "Other" funds?

N/A

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A

Regional Care Coordination Model

DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN	
REGIONAL CARE COORDINATION									
CORE									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	200,000	0.00	0	0.00	0	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	1,800,000	0.00	0	0.00	0	0.00	
TOTAL - PD	0	0.00	2,000,000	0.00	0	0.00	0	0.00	
TOTAL	0	0.00	2,000,000	0.00	0	0.00	0	0.00	
GRAND TOTAL	\$0	0.00	\$2,000,000	0.00	\$0	0.00	\$0	0.00	

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CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Regional Care Coordination Model

Budget Unit: 90578C
HB Section: 11.529

1. CORE FINANCIAL SUMMARY

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	0	0	0	0
TRF				
Total	0	0		0
FTE				0.00

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				
FTE				

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

2. CORE DESCRIPTION

This core request is to provide funding for a regional care coordination model.

3. PROGRAM LISTING (list programs included in this core funding)

Regional Care Coordination Model.

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Regional Care Coordination Model

Budget Unit: 90578C

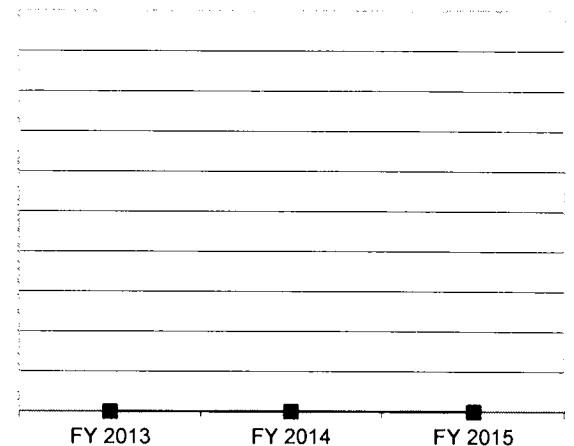
HB Section: 11.529

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	0	0	5,000,000	2,000,000
Less Reverted (All Funds)	0	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	0	5,000,000	N/A
Actual Expenditures (All Funds)	0	0	0	N/A
Unexpended (All Funds)	0	0	5,000,000	N/A
Unexpended, by Fund:				
General Revenue	0	0	500,000	N/A
Federal	0	0	4,500,000	N/A
Other	0			N/A

(1)

Actual Expenditures (All Funds)



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) Funding appropriated in FY15 but initially restricted. Timeliness of the release did not allow for implementation of the program.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES REGIONAL CARE COORDINATION

5. CORE RECONCILIATION DETAIL

				Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES				PD	0.00	200,000	1,800,000	0	2,000,000	
				Total	0.00	200,000	1,800,000	0	2,000,000	
DEPARTMENT CORE ADJUSTMENTS										
Core Reduction	307	8998	PD	0.00		0	(1,800,000)	0	(1,800,000)	Reduction of program
Core Reduction	307	8997	PD	0.00		(200,000)	0	0	(200,000)	Reduction of program
NET DEPARTMENT CHANGES					0.00	(200,000)	(1,800,000)	0	(2,000,000)	
DEPARTMENT CORE REQUEST				PD	0.00	0	0	0	0	
				Total	0.00	0	0	0	0	
GOVERNOR'S RECOMMENDED CORE				PD	0.00	0	0	0	0	
				Total	0.00	0	0	0	0	

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
REGIONAL CARE COORDINATION								
CORE								
PROGRAM DISTRIBUTIONS	0	0.00	2,000,000	0.00	0	0.00	0	0.00
TOTAL - PD	0	0.00	2,000,000	0.00	0	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$2,000,000	0.00	\$0	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$200,000	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$1,800,000	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.529

Program Name: Regional Care Coordination Model

Program is found in the following core budget(s): Regional Care Coordination Model

1. What does this program do?

This model will coordinate care in the emergency room for those participants who are high utilizers of emergency room services or have had multiple admissions.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

N/A

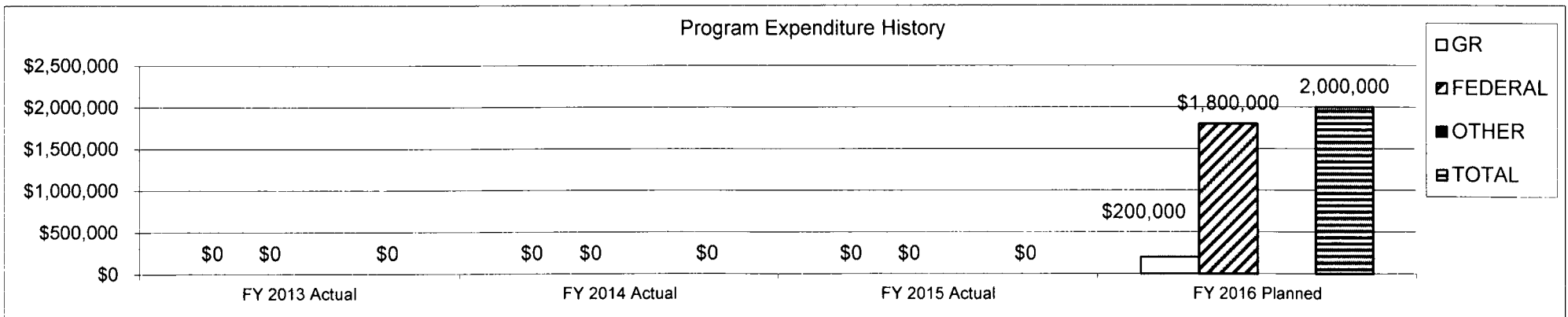
3. Are there federal matching requirements? If yes, please explain.

Yes. States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY16 is a blended 63.323% federal match. The state matching requirement is 36.677%.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



Planned FY 2015 expenditures are net of reserves.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.529

Program Name: Regional Care Coordination Model

Program is found in the following core budget(s): Regional Care Coordination Model

6. What are the sources of the "Other" funds?

N/A

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A

Federal Reimbursement Allowance

DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
FED REIMB ALLOWANCE								
CORE								
EXPENSE & EQUIPMENT								
FEDERAL REIMBURSMENT ALLOWANCE	173,929	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	173,929	0.00	0	0.00	0	0.00	0	0.00
PROGRAM-SPECIFIC								
FEDERAL REIMBURSMENT ALLOWANCE	1,163,135,518	0.00	1,022,818,735	0.00	1,022,818,735	0.00	0	0.00
TOTAL - PD	1,163,135,518	0.00	1,022,818,735	0.00	1,022,818,735	0.00	0	0.00
TOTAL	1,163,309,447	0.00	1,022,818,735	0.00	1,022,818,735	0.00	0	0.00
FRA DSH Redistribution - 1886017								
PROGRAM-SPECIFIC								
FEDERAL REIMBURSMENT ALLOWANCE	0	0.00	0	0.00	102,999,999	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	102,999,999	0.00	0	0.00
TOTAL	0	0.00	0	0.00	102,999,999	0.00	0	0.00
GRAND TOTAL	\$1,163,309,447	0.00	\$1,022,818,735	0.00	\$1,125,818,734	0.00	\$0	0.00

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CORE DECISION ITEM

Department: Social Services
 Division: MO HealthNet
 Core: Federal Reimbursement Allowance (FRA)

Budget Unit 90553C
 HB Section: 11.530

1. CORE FINANCIAL SUMMARY

FY 2017 Budget Request					FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS				
EE					EE				
PSD			1,022,818,735	1,022,818,735	PSD				0
TRF					TRF				
Total	0	0	1,022,818,735	1,022,818,735	Total			0	0
FTE				0.00	FTE				0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)

Note: An "E" is requested for the Federal Reimbursement Allowance Fund.

Note:

2. CORE DESCRIPTION

This core request is for ongoing funding to reimburse for hospital services and managed care premiums provided to MO HealthNet participants and the uninsured. Funding for this core is used to maintain hospital reimbursement at a sufficient level to ensure quality health care and provider participation. Hospitals are assessed a provider tax for the privilege of doing business in the state. The assessment is a general revenue equivalent and when used to make valid Medicaid payments, earn federal Medicaid match. These earnings fund the FRA program.

3. PROGRAM LISTING (list programs included in this core funding)

Hospital - Federal Reimbursement Allowance

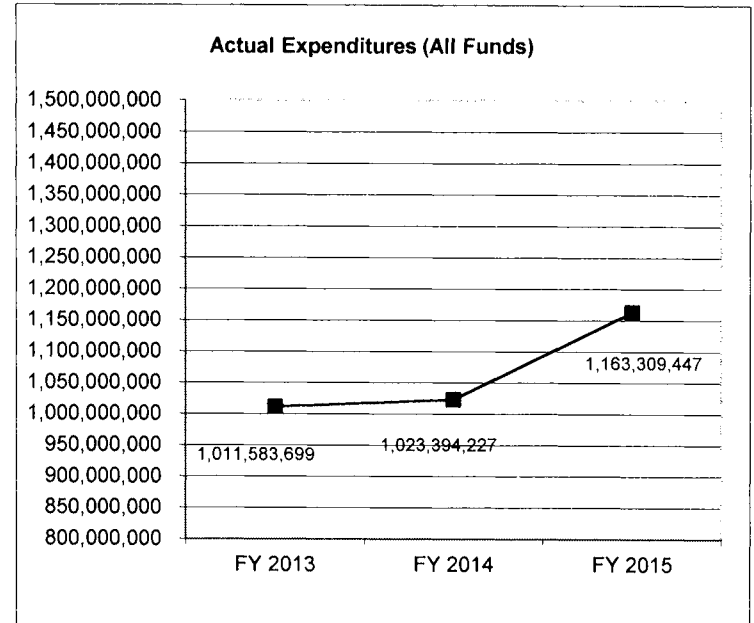
CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Federal Reimbursement Allowance (FRA)

Budget Unit: 90553C
HB Section: 11.530

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.	
Appropriation (All Funds)	988,018,731	1,022,818,734	1,022,818,734	1,022,818,735	E
Less Reverted (All Funds)	0	0	0	N/A	
Less Restricted (All Funds)	0	0	0	N/A	
Budget Authority (All Funds)	988,018,731	1,022,818,734	1,022,818,734	N/A	
Actual Expenditures (All Funds)	1,011,583,699	1,023,394,227	1,163,309,447	N/A	
Unexpended (All Funds)	(23,564,968)	(575,493)	(140,490,713)	N/A	
Unexpended, by Fund:					
General Revenue	0	0	0	N/A	
Federal	0	0	0	N/A	
Other	0	0	0	N/A	
	(1)	(2)	(3)		



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY13 An "E" increase of \$23,564,968 was made.

(2) FY14 An "E" increase of \$575,493 was made.

(3) FY15 An "E" increase of \$140,490,713 was made.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES FED REIMB ALLOWANCE

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	0	0	1,022,818,735	1,022,818,735	
	Total	0.00	0	0	1,022,818,735	1,022,818,735	
DEPARTMENT CORE REQUEST							
	PD	0.00	0	0	1,022,818,735	1,022,818,735	
	Total	0.00	0	0	1,022,818,735	1,022,818,735	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	0	0	1,022,818,735	1,022,818,735	
	Total	0.00	0	0	1,022,818,735	1,022,818,735	

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
FED REIMB ALLOWANCE								
CORE								
PROFESSIONAL SERVICES	173,929	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	173,929	0.00	0	0.00	0	0.00	0	0.00
PROGRAM DISTRIBUTIONS	1,163,135,518	0.00	1,022,818,735	0.00	1,022,818,735	0.00	0	0.00
TOTAL - PD	1,163,135,518	0.00	1,022,818,735	0.00	1,022,818,735	0.00	0	0.00
GRAND TOTAL	\$1,163,309,447	0.00	\$1,022,818,735	0.00	\$1,022,818,735	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$1,163,309,447	0.00	\$1,022,818,735	0.00	\$1,022,818,735	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.530

Program Name: Federal Reimbursement Allowance (FRA)

Program is found in the following core budget(s): Federal Reimbursement Allowance (FRA)

1. What does this program do?

The Federal Reimbursement Allowance (FRA) program provides payments for hospital inpatient services, outpatient services, managed care capitated payments, CHIP and women's health services (using the FRA assessment as general revenue equivalent). The FRA program supplements payments for the cost of providing care to Medicaid participants under Title XIX of the Social Security Act and to the uninsured. Hospitals are assessed a provider tax for the privilege of doing business in the state. The assessment is a General Revenue equivalent, and when used to make valid Medicaid payments, can earn federal Medicaid matching funds. These earnings fund the FRA program. The FRA program has been reauthorized by the General Assembly through June 30, 2016.

Currently 146 hospitals participate in the FRA program. The FRA assessment is a percent of each hospital's inpatient adjusted net revenues and outpatient adjusted net revenues. The assessment rate for FY 2016 is 5.95%. The net inpatient and net outpatient revenue are determined from the hospital's cost reports that are filed annually with the MO HealthNet Division. The MO HealthNet Division uses funds generated from the FRA program as the equivalent of General Revenue funds.

The FRA funds are distributed to the hospitals through a combination of payments to compensate certain costs as outlined below.

- Higher Inpatient Per Diems - Higher per diems were granted in October 1992 when the FRA program started. At that time, rates for the general plan hospitals were rebased to the 1990 cost reports. In April 1998, hospitals were rebased to the 1995 cost reports.
- Increased Outpatient Payment - 30% of outpatient costs are made through FRA funding. An outpatient prospective reimbursement methodology was implemented on July 1, 2002.
- Direct Medicaid Payments - The hospital receives additional lump sum payments to cover their unreimbursed costs for providing services to MO HealthNet participants. These payments, along with per diem payments, provide 100% of the allowable Medicaid cost for MO HealthNet participants.
- Uninsured Add-On - Payments for the cost of providing services to the uninsured and for uncompensated care costs.
- Upper Payment Limit - An annual payment to hospitals to recognize costs up to what Medicare payment principles allow.
- Enhanced GME - An annual payment to hospitals for Graduate Medical Education (GME) cost inflation not reimbursed in the per diem, Direct Medicaid or quarterly GME payments.

This program also funds the following:

- Costs of the federally required independent DSH audits.
- Missouri's Gateway to Better Health Medicaid demonstration project. The State is authorized to spend up to \$30 million (total computable) annually to preserve and improve primary care and specialty care in the St. Louis area in lieu of spending that amount of statutorily authorized funding on payments to disproportionate share hospitals (DSHs), making this demonstration budget-neutral. Prior to the new federal DSH audit rules, DSH funding was voluntarily paid by hospitals to safety net clinics that provided uncompensated ambulatory care at specific facilities. The new federal DSH audit requirements limit the amount of DSH hospitals can receive to each individual hospital's uncompensated Medicaid and uninsured costs. Under the demonstration, CMS allows the state to continue to use DSH funds to preserve and improve primary and specialty health care services in St. Louis through December 31, 2015. Continuation of the demonstration beyond December will require CMS reauthorization.
- The state share of primary care health home per member per month (PMPM) payments to hospital-based primary care health homes.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.530

Program Name: Federal Reimbursement Allowance (FRA)

Program is found in the following core budget(s): Federal Reimbursement Allowance (FRA)

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.453; Federal law: Social Security Act Section 1903(w); Federal Regulation: 42 CFR 433 Subpart B.

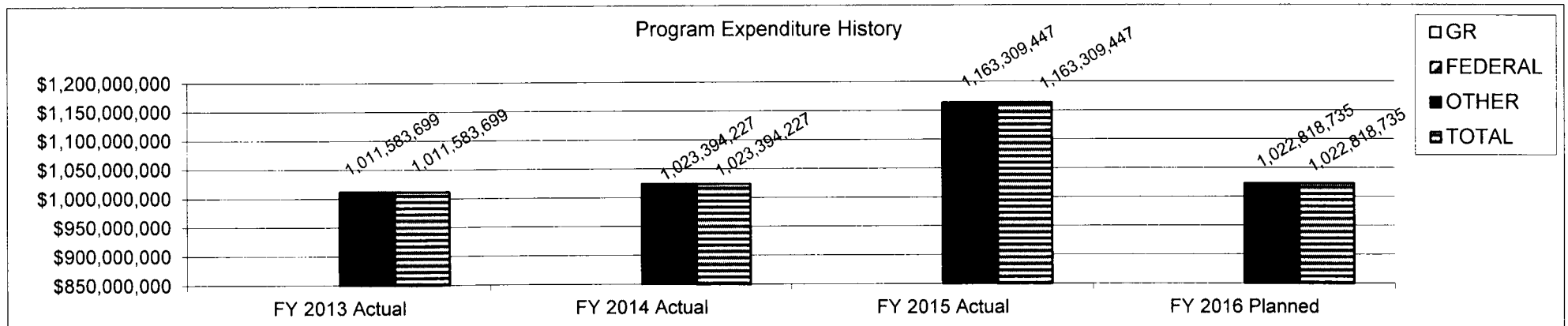
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Prior to January 1, 2014, health home expenditures were matched at 90% federal funds. Health homes are now matched at the current FMAP rate. Missouri's FMAP for FY 16 is a blended 63.323% federal match. The state matching requirement is 36.677%. The hospital assessments serve as the general revenue equivalent to earn Medicaid federal reimbursement when used to make valid Medicaid payments.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

Federal Reimbursement Allowance Fund (0142)

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.530

Program Name: Federal Reimbursement Allowance (FRA)

Program is found in the following core budget(s): Federal Reimbursement Allowance (FRA)

7a. Provide an effectiveness measure.

The Federal Reimbursement Allowance (FRA) is used as state match for administration costs and Medicaid services minimizing the need for General Revenue. In FY 2015, the FRA program provided over \$280 million in state match to fund various appropriations.

FRA as a Funding Source in the Various Appropriations	FY			
	2012	2013	2014	2015
Revenue Max / Admin	\$100,133	\$101,244	\$101,956	\$102,920
Managed Care	\$93,533,441	\$108,629,699	\$97,626,207	\$97,394,117
Hospital	\$185,298,958	\$188,702,995	\$176,584,954	\$175,385,755
Women's Health Services	\$167,756	\$403,656	\$167,756	\$167,756
Medical Homes		\$100,000	\$100,000	\$100,000
CHIP	\$7,719,204	\$10,269,005	\$7,719,204	\$7,719,204
Total	\$286,819,492	\$308,206,599	\$282,300,077	\$280,869,752

7b. Provide an efficiency measure.

The FRA tax assessment is a general revenue equivalent and when used to make Medicaid payments earns a federal match. In FY 2015, MO HealthNet collected \$1,091.9 million in FRA tax assessment.

FRA Tax Assessments Revenues Obtained*

FY	
2012	\$1,007.2 mil
2013	\$1,060.2 mil
2014	\$1,078.2 mil
2015	\$1,091.9 mil
2016	\$1,087.4 mil estimated
2017	\$1,129.8 mil estimated

*Projections assume the federal government continues to allow tax rate maximum of 6%.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.530

Program Name: Federal Reimbursement Allowance (FRA)

Program is found in the following core budget(s): Federal Reimbursement Allowance (FRA)

7c. Provide the number of clients/individuals served, if applicable.

FRA payments are made on behalf of MO HealthNet participants and the uninsured accessing hospital and primary care health home services.

7d. Provide a customer satisfaction measure, if available.

N/A

NEW DECISION ITEM
RANK: 26 OF: 29

Department: Social Services
Division: MO HealthNet
DI Name: FRA Increase Authority - DSH Redistribution

Budget Unit: 90553C
DI#: 1886010

1. AMOUNT OF REQUEST

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD		0	102,999,999	102,999,999 E
TRF				
Total	0	0	102,999,999	102,999,999 E
FTE				0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				
FTE				

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

<input type="checkbox"/> New Legislation	<input type="checkbox"/> New Program	<input type="checkbox"/> Fund Switch
<input type="checkbox"/> Federal Mandate	<input type="checkbox"/> Program Expansion	<input type="checkbox"/> Cost to Continue
<input type="checkbox"/> GR Pick-Up	<input type="checkbox"/> Space Request	<input type="checkbox"/> Equipment Replacement
<input type="checkbox"/> Pay Plan	<input checked="" type="checkbox"/> Other: Increase Budget Authority	

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

PROGRAM SYNOPSIS: *This item is needed to increase appropriation authority to reflect planned FY 2016 payments.*

Funding is needed to redistribute Medicaid Disproportionate Share Hospital (DSH) payments in order to be in compliance with hospital-specific DSH limit standards issued by the Centers for Medicare and Medicaid Services (CMS). To be in compliance with the hospital-specific DSH limit standards, adjustments were made for the SFY 2011 DSH payments based on a state DSH survey and final adjustments were made beginning with SFY 2011 DSH payments based on the results of the annual independent DSH audits. Beginning with SFY 2015, the Division will recoup DSH payments in excess of the hospital-specific DSH limit and redistribute those funds to hospitals whose payments are below their hospital-specific DSH limit, up to the federal DSH allotment.

NEW DECISION ITEM

RANK: 26

OF: 29

Department: Social Services

Budget Unit: 90553C

Division: MO HealthNet

DI Name: FRA Increase Authority - DSH Redistrib

DI#: 1886010

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of

The \$103M is based on the 2012 DSH Audit.

In December 2008, the Centers for Medicare and Medicaid Services (CMS) issued a final regulation, effective January 19, 2009, mandating an independent audit of Medicaid disproportionate share hospital (DSH) payments to hospitals starting with DSH payment year 2005. Independent DSH audits are conducted 3 years after the DSH payment year. For example, the annual independent audit of SFY 2011 DSH payments was done in 2014. A transition period was authorized by the federal DSH rules where findings would not be found for DSH payment years 2005-2010. The first year of audits conducted during 2010 included the independent audits for DSH payment years 2005, 2006 and 2007. The federal DSH audit rules and CMS guidance directed states to consider the findings from these audits when calculating uncompensated care cost estimates and associated DSH payments beginning with Medicaid State plan rate year 2011. The results of the 2005 – 2007 independent DSH audits indicated that the DSH cost and payment methodology used by MHD exceed hospital-specific DSH limit standards. To reflect the methodology change and be in compliance with the hospital-specific DSH limit standards, adjustments were made for the SFY 2011 DSH payments based on a state DSH survey and final adjustments will be made beginning with SFY 2011 DSH payments based on the results of the annual independent DSH audits. Beginning with SFY 2016, the Division will recoup DSH payments in excess of the hospital-specific DSH limit and redistribute those funds to hospitals whose payments are below their hospital-specific DSH limit, up to the federal DSH allotment. The federal share of any DSH payments recouped in excess of the federal DSH allotment must be returned to the federal government.

	Total	GR	Federal	Other
DSH Redistribution	\$102,999,999	\$0	\$0	\$102,999,999 E
Total	\$102,999,999	\$0	\$0	\$102,999,999 E

NEW DECISION ITEM

RANK: 26

OF: 29

Department: Social Services

Budget Unit: 90553C

Division: MO HealthNet

DI Name: FRA Increase Authority - DSH Redistrib

DI#: 1886010

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	0		0		102,999,999		102,999,999		
Total PSD	0		0		102,999,999		102,999,999		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	102,999,999	0.0	102,999,999	0.0	0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions									
Total PSD	0		0		0		0		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0

NEW DECISION ITEM**RANK: 26****OF: 29****Department: Social Services****Budget Unit: 90553C****Division: MO HealthNet****DI Name: FRA Increase Authority - DSH Redistributi****DI#: 1886010****6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)****6a. Provide an effectiveness measure.**

The Federal Reimbursement Allowance (FRA) is used as state funding source for administration costs and Medicaid services minimizing the need for General Revenue. In FY 2015, the FRA program provided over \$281 million in state funding to fund various appropriations.

FRA as a Funding Source in the Various Appropriations	FY			
	2012	2013	2014	2015
Revenue Max / Admin	\$100,133	\$101,244	\$101,956	\$102,920
Managed Care	\$93,533,441	\$108,629,699	\$97,626,207	\$97,394,117
Hospital	\$185,298,958	\$188,702,995	\$176,584,954	\$175,385,755
Women's Health Services	\$167,756	\$403,656	\$167,756	\$167,756
Medical Homes		\$100,000	\$100,000	\$100,000
CHIP	\$7,719,204	\$10,269,005	\$7,719,204	\$7,719,204
Total	\$286,819,492	\$308,206,599	\$282,300,077	\$280,869,752

6b. Provide an efficiency measure.

The FRA tax assessment is a general revenue equivalent and when used to make Medicaid payments earns a federal match. In FY 2015, MO HealthNet collected \$1,091.9 million in FRA tax assessment.

FRA Tax Assessments Revenues Obtained*	
FY	
2012	\$1,007.2 mil
2013	\$1,060.2 mil
2014	\$1,078.2 mil
2015	\$1,091.9 mil
2016	\$1,087.4 mil estimated
2017	\$1,129.8 mil estimated

*Projections assume the federal government continues to allow tax rate maximum of 6%.

RANK: 26 **NEW DECISION ITEM**
OF: 29

Department: Social Services

Budget Unit: 90553C

Division: MO HealthNet

DI Name: FRA Increase Authority - DSH Redistributi

DI#: 1886010

6c. Provide the number of clients/individuals served, if applicable.

FRA payments are made on behalf of MO HealthNet participants and the uninsured accessing hospital services.

6d. Provide a customer satisfaction measure, if available.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:
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DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
FED REIMB ALLOWANCE								
FRA DSH Redistribution - 1886017								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	102,999,999	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	102,999,999	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$0	0.00	\$102,999,999	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$102,999,999	0.00		0.00

IGT Safety Net Hospitals

DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
IGT SAFETY NET HOSPITALS								
CORE								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	51,253,024	0.00	71,505,748	0.00	71,505,748	0.00	0	0.00
INTERGOVERNMENTAL TRANSFER	30,035,944	0.00	43,348,801	0.00	43,348,801	0.00	0	0.00
TOTAL - PD	81,288,968	0.00	114,854,549	0.00	114,854,549	0.00	0	0.00
TOTAL	81,288,968	0.00	114,854,549	0.00	114,854,549	0.00	0	0.00
GRAND TOTAL	\$81,288,968	0.00	\$114,854,549	0.00	\$114,854,549	0.00	\$0	0.00

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CORE DECISION ITEM

Department: Social Services
 Division: MO HealthNet
 Core: IGT Safety Net Hospitals

Budget Unit: 90571C

HB Section: 11.540

1. CORE FINANCIAL SUMMARY

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD		71,505,748	43,348,801	114,854,549
TRF				
Total		71,505,748	43,348,801	114,854,549
FTE				0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Intergovernmental Transfers (0139)

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				0
TRF				
Total		0	0	0
FTE				

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Intergovernmental Transfers (0139)

2. CORE DESCRIPTION

This core request is to fund payments for MO HealthNet participants and the uninsured through intergovernmental transfers for safety net hospitals. Safety net hospitals traditionally see a high volume of MO HealthNet/uninsured patients.

3. PROGRAM LISTING (list programs included in this core funding)

Intergovernmental transfers for Safety Net Hospitals.

CORE DECISION ITEM

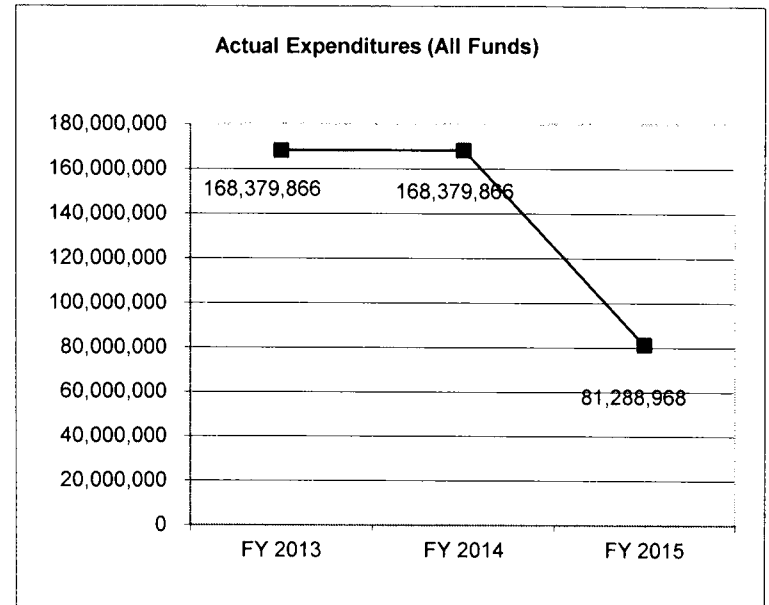
Department: Social Services
Division: MO HealthNet
Core: IGT Safety Net Hospitals

Budget Unit: 90571C

HB Section: 11.540

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	199,854,549	199,854,549	199,854,549	114,854,549
Less Reverted (All Funds)	0	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	199,854,549	199,854,549	199,854,549	N/A
Actual Expenditures (All Funds)	168,379,866	168,379,866	81,288,968	N/A
Unexpended (All Funds)	31,474,683	31,474,683	118,565,581	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	6,830,281	53,992,049	78,252,724	N/A
Other	24,644,402	23,802,153	40,312,857	N/A
	(1)	(2)		



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY13 Estimated appropriation or "E" status removed.

(2) FY14 Agency Reserves of \$52,055,148 Federal and \$18,767,650 Other Funds.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES
IGT SAFETY NET HOSPITALS

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	0	71,505,748	43,348,801	114,854,549	
	Total	0.00	0	71,505,748	43,348,801	114,854,549	
DEPARTMENT CORE REQUEST							
	PD	0.00	0	71,505,748	43,348,801	114,854,549	
	Total	0.00	0	71,505,748	43,348,801	114,854,549	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	0	71,505,748	43,348,801	114,854,549	
	Total	0.00	0	71,505,748	43,348,801	114,854,549	

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
IGT SAFETY NET HOSPITALS								
CORE								
PROGRAM DISTRIBUTIONS	81,288,968	0.00	114,854,549	0.00	114,854,549	0.00	0	0.00
TOTAL - PD	81,288,968	0.00	114,854,549	0.00	114,854,549	0.00	0	0.00
GRAND TOTAL	\$81,288,968	0.00	\$114,854,549	0.00	\$114,854,549	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$51,253,024	0.00	\$71,505,748	0.00	\$71,505,748	0.00		0.00
OTHER FUNDS	\$30,035,944	0.00	\$43,348,801	0.00	\$43,348,801	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.540

Program Name: IGT Safety Net Hospitals

Program is found in the following core budget(s): IGT Safety Net Hospitals

1. What does this program do?

Federal Medicaid regulation (42 CFR 433.51) allows state and local governmental units (including public providers) to transfer funds to the state as the non-federal share of Medicaid payments. These transfers are called intergovernmental transfers (IGTs). This funding maximizes eligible costs for federal Medicaid funds, utilizing current state and local funding sources as match for services.

Under the IGT process, hospitals transfer the non-federal share of payments to the state prior to payments being made. The state pays out the total claimable amount including both federal and non-federal share. The state demonstrates that the non-federal share of the payments is transferred to, and under the administrative control of, the MO HealthNet Division prior to the total computable payments are made to the hospitals.

Since FY 2009, the MO HealthNet Division changed from a Certified Public Expenditure (CPE) process to an Intergovernmental Transfer (IGT) process for the non-federal share of hospital payments. The following state owned/operated hospitals and public hospitals are paid from this appropriation: (1) Metropolitan St. Louis Psychiatric Center; (2) Center for Behavioral Medicine (formerly known as Western Missouri Mental Health Center); (3) Hawthorne Children's Psychiatric Hospital; (4) Northwest Missouri Psychiatric Rehabilitation Center; (5) Fulton State Hospital; (6) Southeast Missouri Mental Health Center; (7) St. Louis Psychiatric Rehabilitation Center; (8) University of Missouri Hospital and Clinics; (9) Truman Medical Center – Hospital Hill; and (10) Truman Medical Center – Lakewood.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures made in accordance with the approved State Plan. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY 16 is a blended 63.323% federal match. The state matching requirement is 36.677%. For those public entities identified above who use state and local general revenue to provide eligible services to MO HealthNet participants, the MO HealthNet Division provides payment of the federal share for these eligible services.

4. Is this a federally mandated program? If yes, please explain.

No.

PROGRAM DESCRIPTION

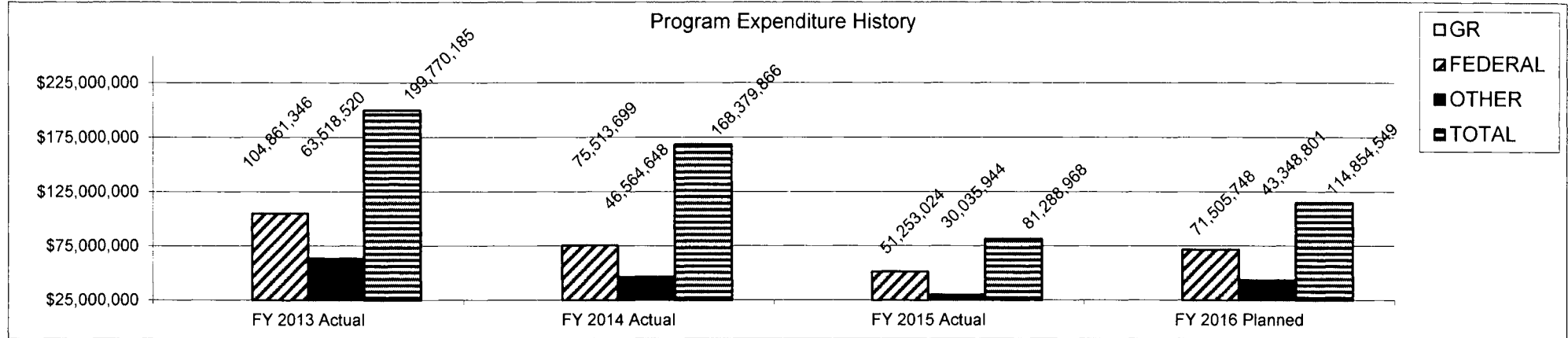
Department: Social Services

HB Section: 11.540

Program Name: IGT Safety Net Hospitals

Program is found in the following core budget(s): IGT Safety Net Hospitals

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

Department of Social Services Intergovernmental Transfer Fund (0139)

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A

IGT DMH Medicaid Program

DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN	
IGT DMH MEDICAID PROGRAM									
CORE									
PROGRAM-SPECIFIC									
TITLE XIX-FEDERAL AND OTHER	194,011,173	0.00	194,011,173	0.00	194,011,173	0.00	0	0.00	
INTERGOVERNMENTAL TRANSFER	115,719,061	0.00	125,179,424	0.00	125,179,424	0.00	0	0.00	
TOTAL - PD	309,730,234	0.00	319,190,597	0.00	319,190,597	0.00	0	0.00	
TOTAL	309,730,234	0.00	319,190,597	0.00	319,190,597	0.00	0	0.00	
Transfer Increase Authority - 1886037									
PROGRAM-SPECIFIC									
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	42,910,133	0.00	0	0.00	
INTERGOVERNMENTAL TRANSFER	0	0.00	0	0.00	12,046,588	0.00	0	0.00	
TOTAL - PD	0	0.00	0	0.00	54,956,721	0.00	0	0.00	
TOTAL	0	0.00	0	0.00	54,956,721	0.00	0	0.00	
GRAND TOTAL	\$309,730,234	0.00	\$319,190,597	0.00	\$374,147,318	0.00	\$0	0.00	

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CORE DECISION ITEM

Department: Social Services
 Division: MO HealthNet
 Core: IGT DMH Medicaid Program

Budget Unit: 90572C

HB Section: 11.545

1. CORE FINANCIAL SUMMARY

	FY 2017 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD		194,011,173	125,179,424	319,190,597
TRF				
Total	0	194,011,173	125,179,424	319,190,597

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Intergovernmental Transfers (0139)

	FY 2017 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD		194,011,173	119,579,424	313,590,597
TRF				
Total	194,011,173	119,579,424	313,590,597	

FTE

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Intergovernmental Transfers (0139)

2. CORE DESCRIPTION

The core request is to fund payments for MO HealthNet participants and the uninsured through intergovernmental transfers for Community Psychiatric Rehabilitation (CPR) and Comprehensive Substance Abuse Treatment and Rehabilitation (CSTAR) services.

3. PROGRAM LISTING (list programs included in this core funding)

Intergovernmental transfers for DMH Medicaid Program.

CORE DECISION ITEM

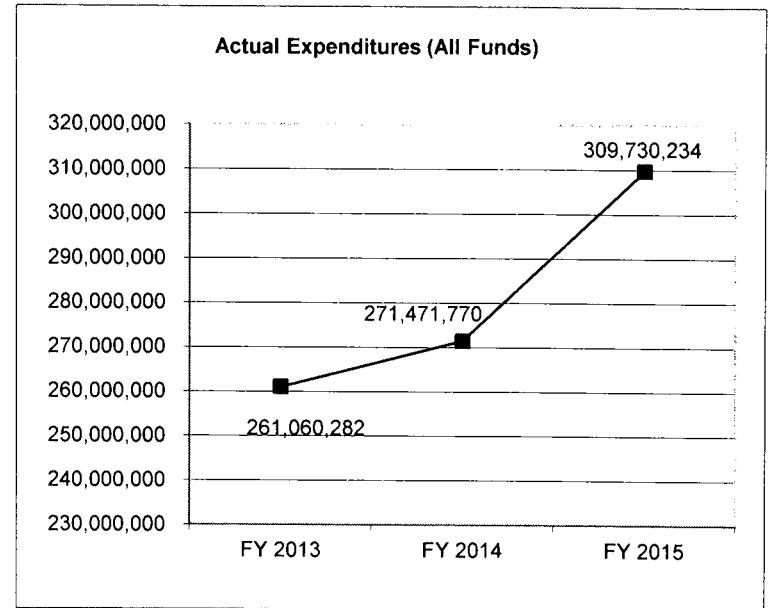
Department: Social Services
Division: MO HealthNet
Core: IGT DMH Medicaid Program

Budget Unit: 90572C

HB Section: 11.545

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.	FY 2016 Current Yr.
Appropriation (All Funds)	275,518,237	292,590,597	313,590,597	319,190,597
Less Reverted (All Funds)	0	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	268,630,216	275,518,237	313,590,597	N/A
Actual Expenditures (All Funds)	261,060,282	271,471,770	309,730,234	N/A
Unexpended (All Funds)	7,569,934	4,046,467	3,860,363	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	6,145,135	12,304,622	0	N/A
Other	8,312,820	8,814,205	3,860,363	N/A
	(1)			



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY13 Estimated appropriation or "E" status removed. A supplemental increase was made in the amount of \$14,141,079 in Other and \$22,964,878 in Federal.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES IGT DMH MEDICAID PROGRAM

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	0	194,011,173	125,179,424	319,190,597	
	Total	0.00	0	194,011,173	125,179,424	319,190,597	
DEPARTMENT CORE REQUEST							
	PD	0.00	0	194,011,173	125,179,424	319,190,597	
	Total	0.00	0	194,011,173	125,179,424	319,190,597	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	0	194,011,173	125,179,424	319,190,597	
	Total	0.00	0	194,011,173	125,179,424	319,190,597	

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
IGT DMH MEDICAID PROGRAM								
CORE								
PROGRAM DISTRIBUTIONS	309,730,234	0.00	319,190,597	0.00	319,190,597	0.00	0	0.00
TOTAL - PD	309,730,234	0.00	319,190,597	0.00	319,190,597	0.00	0	0.00
GRAND TOTAL	\$309,730,234	0.00	\$319,190,597	0.00	\$319,190,597	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$194,011,173	0.00	\$194,011,173	0.00	\$194,011,173	0.00		0.00
OTHER FUNDS	\$115,719,061	0.00	\$125,179,424	0.00	\$125,179,424	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.545

Program Name: IGT DMH Medicaid Program

Program is found in the following core budget(s): IGT DMH Medicaid Program

1. What does this program do?

This program provides payments for Community Psychiatric Rehabilitation (CPR) and Comprehensive Substance Abuse Treatment and Rehabilitation (CSTAR). The Department of Mental Health (DMH) utilizes an intergovernmental transfer (IGT) reimbursement methodology, where DMH serves as a provider of Medicaid services to the Department of Social Services for CSTAR and CPR services. The state match is provided using an IGT.

Federal Medicaid regulation (42 CFR 433.51) allows state and local governmental units (including public providers) to transfer to the Medicaid agency the non-federal share of Medicaid payments. The amounts transferred are used as the state match to earn federal Medicaid funds. These transfers are called intergovernmental transfers (IGTs). This funding maximizes eligible costs for federal Medicaid funds, utilizing current state and local funding sources as match for services.

Beginning in FY 11, the MO HealthNet Division changed from a Certified Public Expenditure (CPE) process to an Intergovernmental Transfer (IGT) process for the non-federal share of CPR and CSTAR services. MO HealthNet pays DMH a reasonable rate for the total costs of providing CPR and CSTAR services. The IGT transfer proves that the state match is available for the CPR and CSTAR programs. The appropriated transfer from General Revenue is in the DMH budget. Under this methodology, reimbursement rates are established for CSTAR and CPR services and the MHD will reimburse DMH both the state and the federal share for these services.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures made in accordance with the approved State Plan. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY16 is a blended 63.323% federal match. The state matching requirement is 36.677%. For those public entities identified above who use state and local general revenue to provide eligible services to MO HealthNet participants, the MO HealthNet Division provides payment of the federal share for these eligible services.

4. Is this a federally mandated program? If yes, please explain.

No.

PROGRAM DESCRIPTION

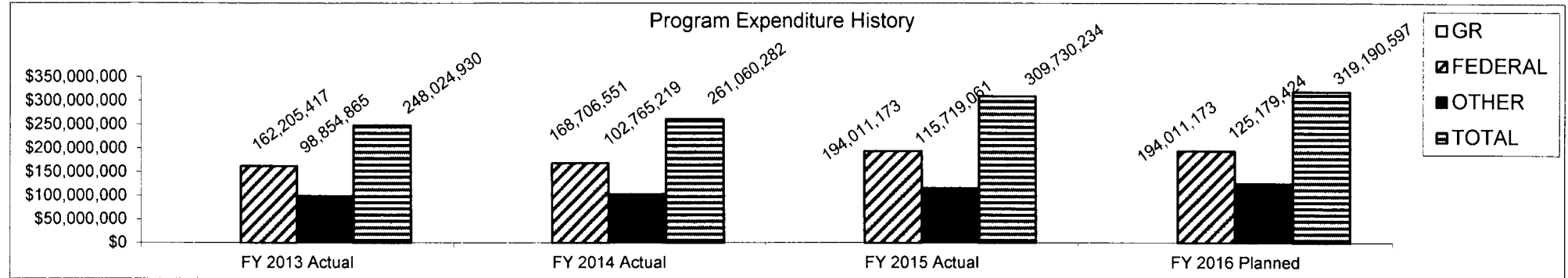
Department: Social Services

HB Section: 11.545

Program Name: IGT DMH Medicaid Program

Program is found in the following core budget(s): IGT DMH Medicaid Program

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

Department of Social Services Intergovernmental Transfer Fund (0139)

7a. Provide an effectiveness measure.

Effectiveness measures for this program can be found in the Department of Mental Health budget under Comprehensive Substance Treatment and Rehabilitation, Adult Community Programs - Community Treatment and Youth Community Programs - Community Treatment.

7b. Provide an efficiency measure.

Effectiveness measures for this program can be found in the Department of Mental Health budget under Comprehensive Substance Treatment and Rehabilitation, Adult Community Programs - Community Treatment and Youth Community Programs - Community Treatment.

7c. Provide the number of clients/individuals served, if applicable.

The number of clients/individuals served for this program can be found in the Department of Mental Health budget under Comprehensive Substance Treatment and Rehabilitation, Adult Community Programs - Community Treatment and Youth Community Programs - Community Treatment.

7d. Provide a customer satisfaction measure, if available.

Customer satisfaction measures for this program can be found in the Department of Mental Health budget under Adult Community Programs - Community Treatment and Youth Community Programs - Community Treatment.

Women's Health Services

DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
WOMEN'S HEALTH SRVC								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	1,253,437	0.00	1,598,704	0.00	1,598,704	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	6,527,864	0.00	8,801,755	0.00	8,801,755	0.00	0	0.00
FEDERAL REIMBURSEMENT ALLOWANCE	167,756	0.00	167,756	0.00	167,756	0.00	0	0.00
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	49,034	0.00	49,034	0.00	0	0.00
TOTAL - PD	7,949,057	0.00	10,617,249	0.00	10,617,249	0.00	0	0.00
TOTAL	7,949,057	0.00	10,617,249	0.00	10,617,249	0.00	0	0.00
Pharmacy PMPM-Specialty - 1886002								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	14,032	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	126,293	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	140,325	0.00	0	0.00
TOTAL	0	0.00	0	0.00	140,325	0.00	0	0.00
Pharmacy PMPM-Non-Specialty - 1886003								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	3,335	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	30,014	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	33,349	0.00	0	0.00
TOTAL	0	0.00	0	0.00	33,349	0.00	0	0.00
GRAND TOTAL	\$7,949,057	0.00	\$10,617,249	0.00	\$10,790,923	0.00	\$0	0.00

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CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Women's Health Services

Budget Unit: 90554C

HB Section: 11.550

1. CORE FINANCIAL SUMMARY

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	1,598,704	8,801,755	216,790	10,617,249
TRF				
Total	1,598,704	8,801,755	216,790	10,617,249

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)
Pharmacy Reimbursement Allowance Fund (0144)

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

This core request is for ongoing funding for women's health services provided to MO HealthNet participants covered through the 1115 Waiver.

3. PROGRAM LISTING (list programs included in this core funding)

Women's Health Services - 1115 Waiver

CORE DECISION ITEM

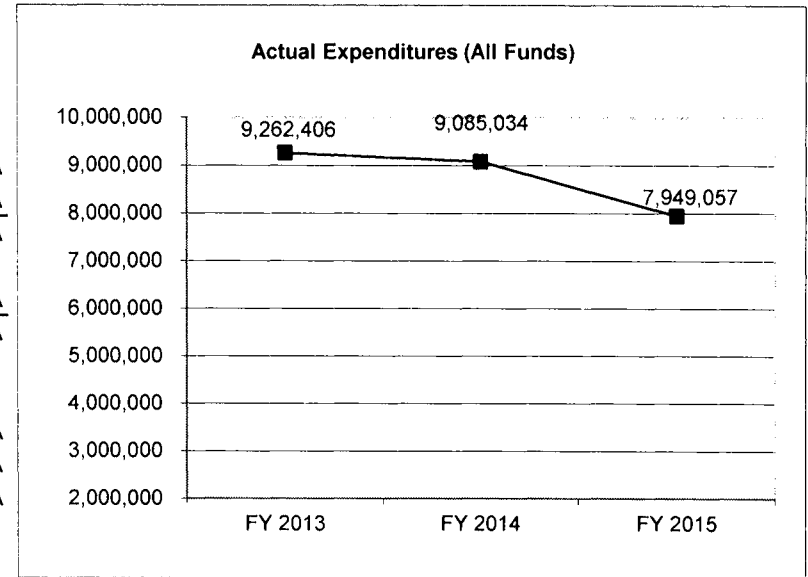
Department: Social Services
Division: MO HealthNet
Core: Women's Health Services

Budget Unit: 90554C

HB Section: 11.550

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	11,089,177	10,540,915	10,751,324	10,617,249
Less Reverted (All Funds)	0	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	11,089,178	11,089,177	10,751,324	N/A
Actual Expenditures (All Funds)	9,262,406	9,085,034	7,949,057	N/A
Unexpended (All Funds)	1,826,772	2,004,143	2,802,267	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	1,635,220	1,406,847	2,753,233	N/A
Other	191,551	49,034	49,034	N/A
	(1)	(1)	(1)	



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY13, FY14, FY15 Agency Reserve of \$49,034 Pharmacy Reimbursement Allowance Fund.

Cost Per Eligible

Women's Health Services PMPM	
Pharmacy	\$2.08
Physician Related	\$7.54
EPSDT Services	\$0.01
Hospitals	\$0.12
Total	\$0.00

Source: Table 24 Medical Statistics for Fiscal Year 2015 (Paid Claims Data)

Health care entities use per member per month (PMPM) calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MO HealthNet (MHD) management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
WOMEN'S HEALTH SRVC**

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	1,598,704	8,801,755	216,790	10,617,249	
	Total	0.00	1,598,704	8,801,755	216,790	10,617,249	
DEPARTMENT CORE REQUEST							
	PD	0.00	1,598,704	8,801,755	216,790	10,617,249	
	Total	0.00	1,598,704	8,801,755	216,790	10,617,249	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	1,598,704	8,801,755	216,790	10,617,249	
	Total	0.00	1,598,704	8,801,755	216,790	10,617,249	

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90554C BUDGET UNIT NAME: Women's Health Services HOUSE BILL SECTION: 11.550	DEPARTMENT: Social Services DIVISION: MO HealthNet
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1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

DEPARTMENT REQUEST

	Core	% Flex Requested	Flex Requested Amount
<i>Total Program Request</i>	\$10,617,249	10%	\$1,061,725
	\$10,617,249	25%	\$2,654,312

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
None.	H.B. 11 language allows for up to 10% flexibility between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.485, 11.490, 11.505, 11.510, 11.550, 11.555, and 11.595 and 25% flexibility for use of this section for managed care.	10% flexibility between sections and 25% flexibility between FFS and Managed Care is being requested for FY 17.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
None.	Flexibility allows DSS to provide continued Medicaid benefits without an interruption in reimbursement to providers or partial payments.

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
WOMEN'S HEALTH SRVC								
CORE								
PROGRAM DISTRIBUTIONS	7,949,057	0.00	10,617,249	0.00	10,617,249	0.00	0	0.00
TOTAL - PD	7,949,057	0.00	10,617,249	0.00	10,617,249	0.00	0	0.00
GRAND TOTAL	\$7,949,057	0.00	\$10,617,249	0.00	\$10,617,249	0.00	\$0	0.00
GENERAL REVENUE	\$1,253,437	0.00	\$1,598,704	0.00	\$1,598,704	0.00		0.00
FEDERAL FUNDS	\$6,527,864	0.00	\$8,801,755	0.00	\$8,801,755	0.00		0.00
OTHER FUNDS	\$167,756	0.00	\$216,790	0.00	\$216,790	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.550

Program Name: Women's Health Services

Program is found in the following core budget(s): Women's Health Services

1. What does this program do?

This program funds womens health care services for MO HealthNet clients covered by an approved Centers for Medicare and Medicaid Services (CMS) 1115 waiver.

Under the 1115 waiver, uninsured women losing their MO HealthNet eligibility 60 days after the birth of their child are eligible for women's health services for one year (12 months). Legislation passed in FY 07 (SB 577) and an approved amendment to the CMS 1115 waiver resulted in the expansion of these services on January 1, 2009 to uninsured women who are 18 to 55 years of age; have a net family income at or below 185% FPL with assets totaling less than \$250,000; and have no access to health insurance covering family planning services. Effective January 1, 2014 Missouri statute was revised to require eligibility determinations through the Modified Adjusted Gross Income (MAGI) methodology. These new women are not limited to one year of coverage and remain eligible for the program as long as they continue to meet eligibility requirements and require family planning services.

Women's health services are defined as:

- Department of Health and Human Services approved methods of contraception;
- Sexually transmitted disease testing and treatment, including pap tests and pelvic exams;
- Family planning counseling/education on various methods of birth control; and
- Pharmaceuticals, supplies or devices related to the women's health services described above when they are prescribed by a physician or advanced practice nurse (subject to the national drug rebate program requirements).

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State Statute: RSMo. 208.040, 208.151 and 208.659; Federal law: Social Security Act Sections 1115 and 1923(a)-(f); Federal Regulations: 42 CFR 433 Subpart B and 412.106.

3. Are there federal matching requirements? If yes, please explain.

Most of the services provided through the Women's Health Services program are eligible for an enhanced 90% federal match, requiring a state match of only 10%. The remaining services are matched at the federal medical assistance percentage (FMAP) calculated for MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Missouri's FMAP for FY16 for these remaining services is a blended 63.323% federal match. The state matching requirement is 36.677%.

4. Is this a federally mandated program? If yes, please explain.

No.

PROGRAM DESCRIPTION

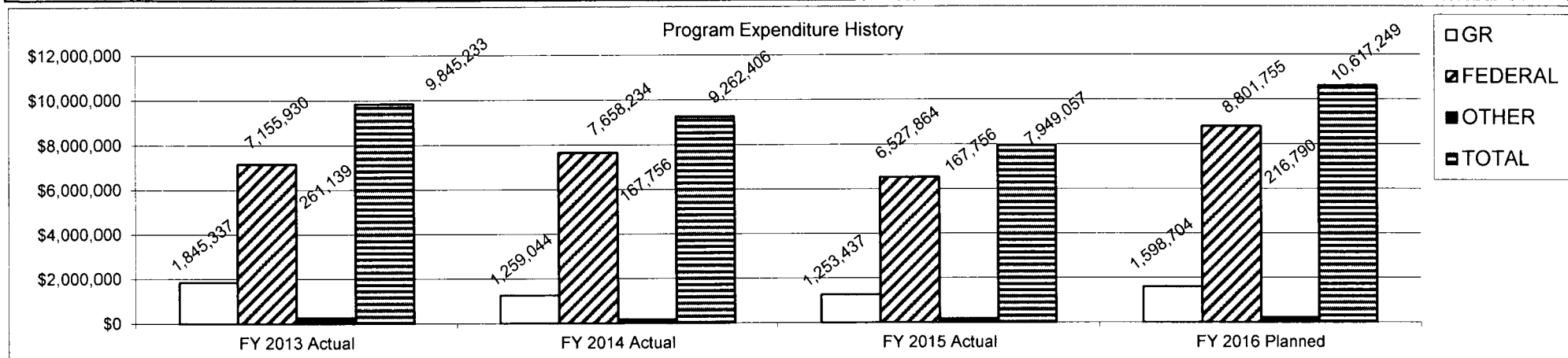
Department: Social Services

HB Section: 11.550

Program Name: Women's Health Services

Program is found in the following core budget(s): Women's Health Services

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.

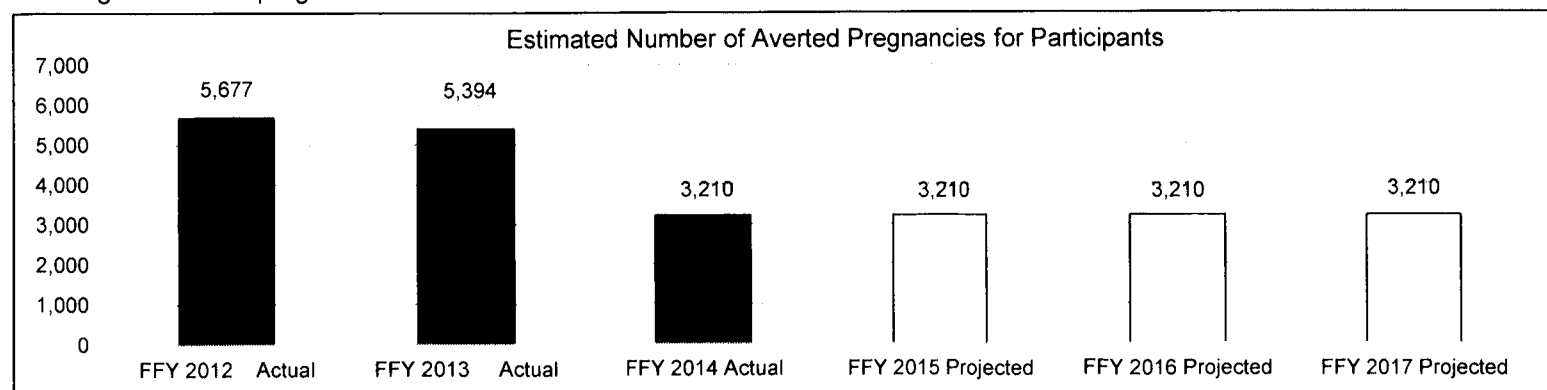


6. What are the sources of the "Other" funds?

Federal Reimbursement Allowance Fund (0142) and Pharmacy Reimbursement Allowance Fund (0144).

7a. Provide an effectiveness measure.

Increase the number of averted pregnancies for participants. The Women's Health Services program provides family planning services to women assisting them in avoiding unintended pregnancies.



Based on federal fiscal year in which report was submitted to CMS.

PROGRAM DESCRIPTION

Department: Social Services

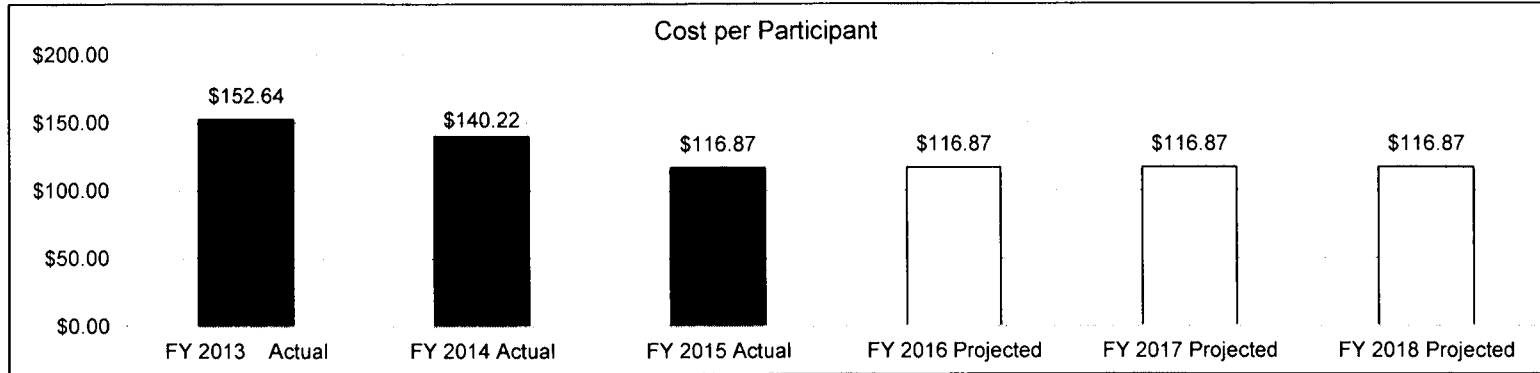
HB Section: 11.550

Program Name: Women's Health Services

Program is found in the following core budget(s): Women's Health Services

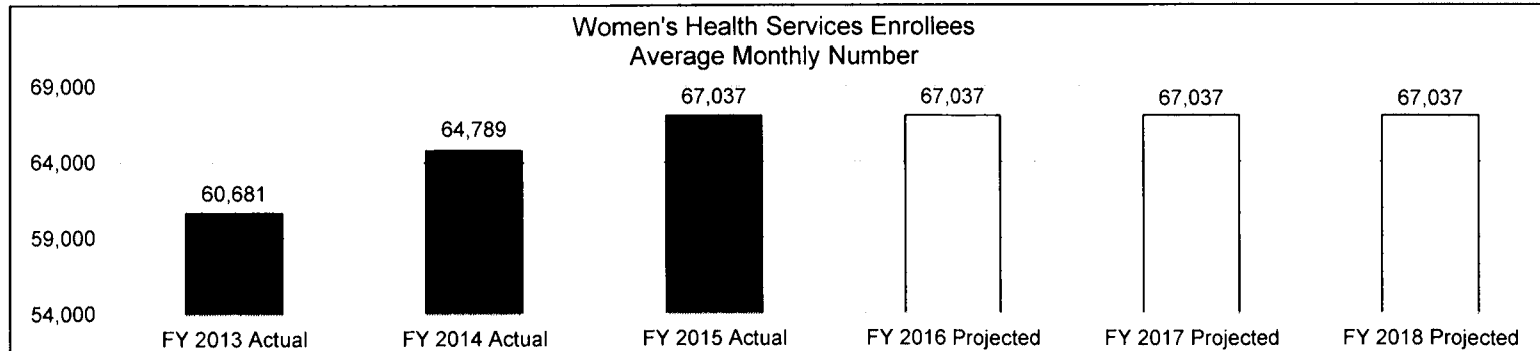
7b. Provide an efficiency measure.

Provide education and outreach to encourage women to access family planning services. Over 67,000 participants accessed family planning services in FY 2015 at a cost of \$7.8 million. The cost per participant was \$117.



Provide the number of clients/individuals served, if applicable.

SB 577 (FY07) and an approved amendment to the CMS 1115 waiver provided for an expansion of Women's Health Services to women 18 to 55 years of age with a net family income of 185% FPL or below, with assets less than \$250,000 and no access to insurance covering family planning services. Expanded services began January 1, 2009. Effective January 1, 2014 Missouri statute was revised to require eligibility determinations through the Modified Adjusted Gross Income (MAGI) methodology.



7d. Provide a customer satisfaction measure, if available.

N/A

CHIP

DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
CHILDREN'S HEALTH INS PROGRAM								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	293,502	0.00	504,000	0.00	504,000	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	1,735,046	0.00	696,000	0.00	696,000	0.00	0	0.00
TOTAL - EE	2,028,548	0.00	1,200,000	0.00	1,200,000	0.00	0	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	30,605,442	0.00	3,360,122	0.00	3,360,122	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	101,480,784	0.00	73,887,966	0.00	73,887,966	0.00	0	0.00
PHARMACY REBATES	581,199	0.00	0	0.00	0	0.00	0	0.00
FEDERAL REIMBURSEMENT ALLOWANCE	7,719,204	0.00	7,719,204	0.00	7,719,204	0.00	0	0.00
PHARMACY REIMBURSEMENT ALLOWAN	907,611	0.00	0	0.00	0	0.00	0	0.00
HEALTH INITIATIVES	3,468,785	0.00	0	0.00	0	0.00	0	0.00
LIFE SCIENCES RESEARCH TRUST	171,206	0.00	0	0.00	0	0.00	0	0.00
PREMIUM	2,592,452	0.00	0	0.00	0	0.00	0	0.00
TOTAL - PD	147,526,683	0.00	84,967,292	0.00	84,967,292	0.00	0	0.00
TOTAL	149,555,231	0.00	86,167,292	0.00	86,167,292	0.00	0	0.00
Pharmacy PMPM-Specialty - 1886002								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	1,260,754	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	3,650,636	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	4,911,390	0.00	0	0.00
TOTAL	0	0.00	0	0.00	4,911,390	0.00	0	0.00
Pharmacy PMPM-Non-Specialty - 1886003								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	299,621	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	867,582	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	1,167,203	0.00	0	0.00
TOTAL	0	0.00	0	0.00	1,167,203	0.00	0	0.00

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DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN	
CHILDREN'S HEALTH INS PROGRAM									
Mgd Care Actuarial Increase - 1886004									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	130,272	0.00	0	0.00	
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	376,621	0.00	0	0.00	
TOTAL - PD	0	0.00	0	0.00	506,893	0.00	0	0.00	
TOTAL	0	0.00	0	0.00	506,893	0.00	0	0.00	
GRAND TOTAL	\$149,555,231	0.00	\$86,167,292	0.00	\$92,752,778	0.00	\$0	0.00	

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CORE DECISION ITEM

Department: Social Services
 Division: MO HealthNet
 Core: Children's Health Insurance Program (CHIP)

Budget Unit: 90556C

HB Section: 11.555

1. CORE FINANCIAL SUMMARY

	FY 2017 Budget Request			
	GR	Federal	Other	Total
PS				
EE	504,000	696,000		1,200,000
PSD	3,360,122	73,887,966	7,719,204	84,967,292
TRF				
Total	3,864,122	74,583,966	7,719,204	86,167,292

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)
 Health Initiative Fund (HIF) (0275)
 Pharmacy Rebates Fund (0114)
 Pharmacy Reimbursement Allowance Fund (0144)
 Premium Fund (0885)
 Life Sciences Research Trust Fund (0763)

	FY 2017 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

This core request is for ongoing funding for health care services provided to MO HealthNet clients. The Children's Health Insurance Program (CHIP) Title XXI funds are utilized for this expanded MO HealthNet population. Funding for this core is used to provide coverage for uninsured children.

3. PROGRAM LISTING (list programs included in this core funding)

Children's Health Insurance Program (CHIP)

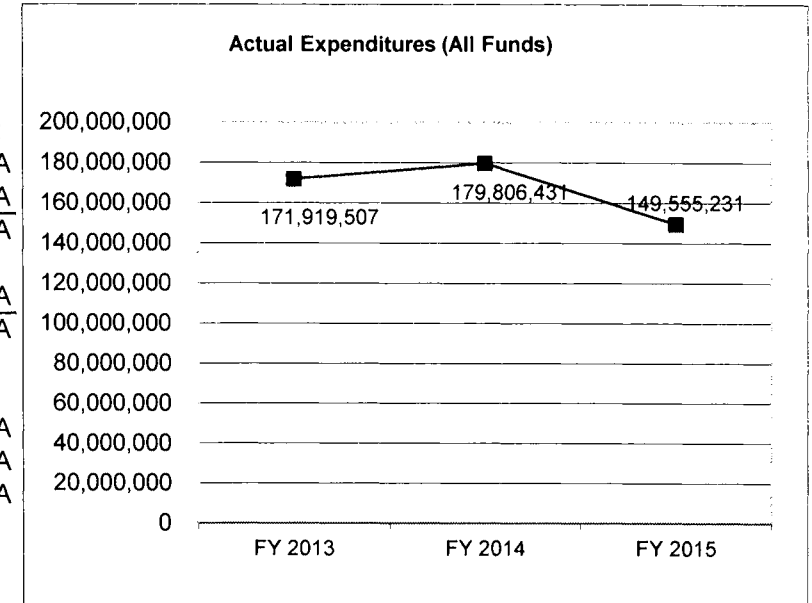
CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Children's Health Insurance Program (CHIP)

Budget Unit: 90556C
HB Section: 11.555

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	177,733,545	180,875,309	182,283,035	86,167,292
Less Reverted (All Funds)	(161,267)	(161,267)	(161,267)	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	177,572,279	177,572,278	182,121,768	N/A
Actual Expenditures (All Funds)	171,919,507	179,806,431	149,555,231	N/A
Unexpended (All Funds)	5,652,772	(2,234,153)	32,566,537	N/A
Unexpended, by Fund:				
General Revenue	0	468	27,239	N/A
Federal	4,745,160	0	30,793,774	N/A
Other	907,611	907,611	1,745,524	N/A
	-1	(2)	(3)	



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY13 Agency Reserve of \$907,611 in Pharmacy Reimbursement Allowance. There were \$659,518 CHIP expenditures made from the Supplemental Pool.

(2) FY14 Agency Reserve of \$907,611 in Pharmacy Reimbursement Allowance. There were \$938,508 CHIP expenditures made from the Supplemental Pool and \$3,512,297 made from Managed Care.

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Children's Health Insurance Program (CHIP)

Budget Unit: 90556C

HB Section: 11.555

CHIP Cost Per Eligible

	CHIP PMPM
Pharmacy	\$74.95
Physician Related	\$15.24
Dental	\$2.04
In-Home Services	\$0.04
Rehab & Specialty	\$2.60
EPSDT Services	\$13.39
Hospitals	\$23.27
Mental Health Services	\$10.55
Services provided in State Inst	\$0.76
Total FFS	\$142.84

Managed Care PMPM	\$100.99
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Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The per member per month (PMPM) metric provides MO HealthNet (MHD) management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

Mental health services and services provided in a state Institution are not part of this core.

Source: Table 23 Medical Statistics for Fiscal Year 2015 (Paid Claims Data)

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
CHILDREN'S HEALTH INS PROGRAM**

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	504,000	696,000	0	1,200,000	
	PD	0.00	3,360,122	73,887,966	7,719,204	84,967,292	
	Total	0.00	3,864,122	74,583,966	7,719,204	86,167,292	
DEPARTMENT CORE REQUEST							
	EE	0.00	504,000	696,000	0	1,200,000	
	PD	0.00	3,360,122	73,887,966	7,719,204	84,967,292	
	Total	0.00	3,864,122	74,583,966	7,719,204	86,167,292	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	504,000	696,000	0	1,200,000	
	PD	0.00	3,360,122	73,887,966	7,719,204	84,967,292	
	Total	0.00	3,864,122	74,583,966	7,719,204	86,167,292	

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90556C BUDGET UNIT NAME: CHIP HOUSE BILL SECTION: 11.555	DEPARTMENT: Social Services DIVISION: MO HealthNet
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1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

DEPARTMENT REQUEST

	Core	% Flex Requested	Flex Reqeusted Amount
<i>Total Program Request</i>	\$86,167,292	10%	\$8,616,729
	\$86,167,292	25%	\$21,541,823

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
None.	H.B. 11 language allows for up to 10% flexibility between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.485, 11.490, 11.505, 11.510, 11.550, 11.555, and 11.595 and 25% flexibility for use of this section for managed care.	10% flexibility between sections and 25% flexibility between FFS and Managed Care is being requested for FY 17.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
None.	Flexibility allows DSS to provide continued Medicaid benefits without an interruption in reimbursement to providers or partial payments.

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
CHILDREN'S HEALTH INS PROGRAM								
CORE								
SUPPLIES	2,028,548	0.00	1,200,000	0.00	1,200,000	0.00	0	0.00
TOTAL - EE	2,028,548	0.00	1,200,000	0.00	1,200,000	0.00	0	0.00
PROGRAM DISTRIBUTIONS	147,526,683	0.00	84,967,292	0.00	84,967,292	0.00	0	0.00
TOTAL - PD	147,526,683	0.00	84,967,292	0.00	84,967,292	0.00	0	0.00
GRAND TOTAL	\$149,555,231	0.00	\$86,167,292	0.00	\$86,167,292	0.00	\$0	0.00
GENERAL REVENUE	\$30,898,944	0.00	\$3,864,122	0.00	\$3,864,122	0.00		0.00
FEDERAL FUNDS	\$103,215,830	0.00	\$74,583,966	0.00	\$74,583,966	0.00		0.00
OTHER FUNDS	\$15,440,457	0.00	\$7,719,204	0.00	\$7,719,204	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.555

Program Name: Children's Health Insurance Program (CHIP)

Program is found in the following core budget(s): Children's Health Insurance Program (CHIP)

1. What does this program do?

The Children's Health Insurance Program is integrated into Missouri's MO HealthNet coverage. This integration was made possible through the passage of Senate Bill 632 (1998). The MO HealthNet program covers children with family incomes below 300% of the federal poverty level. The Medicare Access and CHIP Reauthorization Act of 2015 extends the CHIP allotments for two years - federal fiscal year 2016 and federal fiscal year 2017- without any changes to the program.

Using CHIP, Missouri continues its commitment to improve medical care for its low income children by increasing their access to comprehensive medical and preventative services.

Uninsured children with family income of 150% FPL or below receive a package of benefits equal to MO HealthNet coverage. Uninsured children with family income above 150% FPL receive a package of benefits equal to MO HealthNet coverage, excluding non-emergency medical transportation. Parents of children eligible for coverage above 150% and below 300% of the federal poverty level must show parental responsibility through the following:

- participation in immunization and wellness programs;
- furnishing the uninsured child's social security number;
- cooperation with third party insurance carriers; and
- sharing in their children's health care costs through premiums.

Eligible children must be under age 19; have a family income below 300% of the federal poverty level; be uninsured for ninety (90) days or more; and have no access to other health insurance coverage for less than \$75 to \$188 per month during SFY15 based on family size and income. Any child identified as having special health care needs (defined as a condition which left untreated would result in the death or serious physical injury of a child) who does not have access to affordable employer-subsidized health care insurance is not required to be uninsured for ninety (90) days in order to become eligible for services.

CHIP Rate History: MO HealthNet needs to maintain capitation rates at a sufficient level to ensure continued health plan and provider participation. Federal Regulation 42 CFR 438-Managed Care and State Authority 208.166 require capitation payments made on behalf of managed care participants be actuarially sound. Following are the prior year CHIP managed care actuarial increases received: FY 2010 \$5,102,588; FY 2012 \$5,947,491; FY 2014 \$494,873; FY 2015 \$4,877,827.

MO HealthNet for Kids by Age and Income

% of Federal Poverty Level (FPL)

225+ -300	Premium Group (\$110-\$305)		
185+ -225	Premium Group (\$45-\$125)		
150+ -185	Premium Group (\$14-\$38)		
134+ -150	Non Premium Group		
100+ -133			
0-100			
	0 Years Old	1 thru 5 Years Old	6 thru 18 Years Old

(monthly premium range is based on family size of 1-6)

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.555

Program Name: Children's Health Insurance Program (CHIP)

Program is found in the following core budget(s): Children's Health Insurance Program (CHIP)

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.631 through 208.657; Federal law: Social Security Act, Title XXI; Federal Regulations: 42 CFR 457.

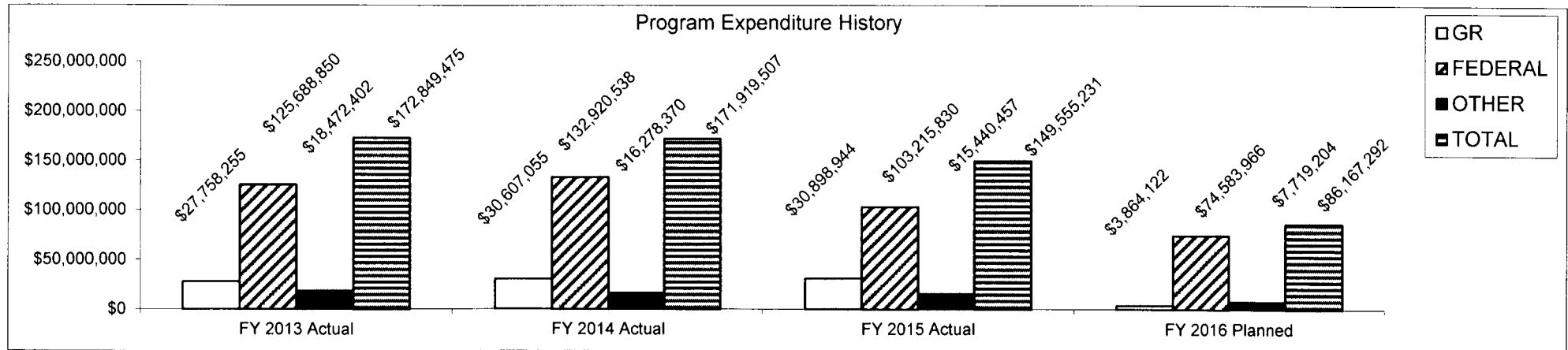
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on Medicaid program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Missouri's enhanced CHIP FMAP for FY16 is a blended 74.33% federal match until October 1, 2015 when new enhanced rate becomes 97.33%. The state matching requirement for the CHIP program is 25.67% until October 1, 2015 when the new state matching rate will be 2.67%

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other" funds?

Pharmacy Rebates Fund (0114), Federal Reimbursement Allowance Fund (0142), Pharmacy Reimbursement Allowance Fund (0144), Health Initiatives Fund (0275), Premium Fund (0885), Life Sciences Research Trust Fund (0763).

PROGRAM DESCRIPTION

Department: Social Services

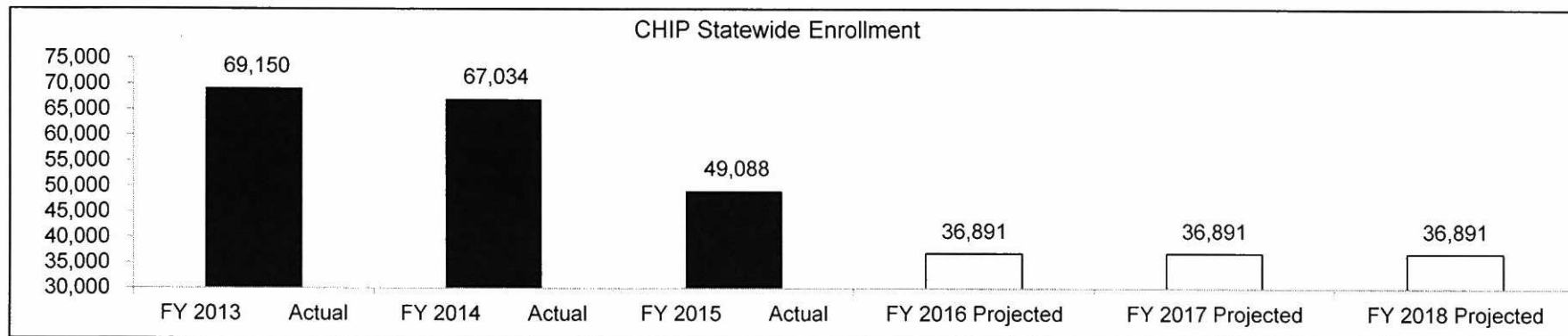
HB Section: 11.555

Program Name: Children's Health Insurance Program (CHIP)

Program is found in the following core budget(s): Children's Health Insurance Program (CHIP)

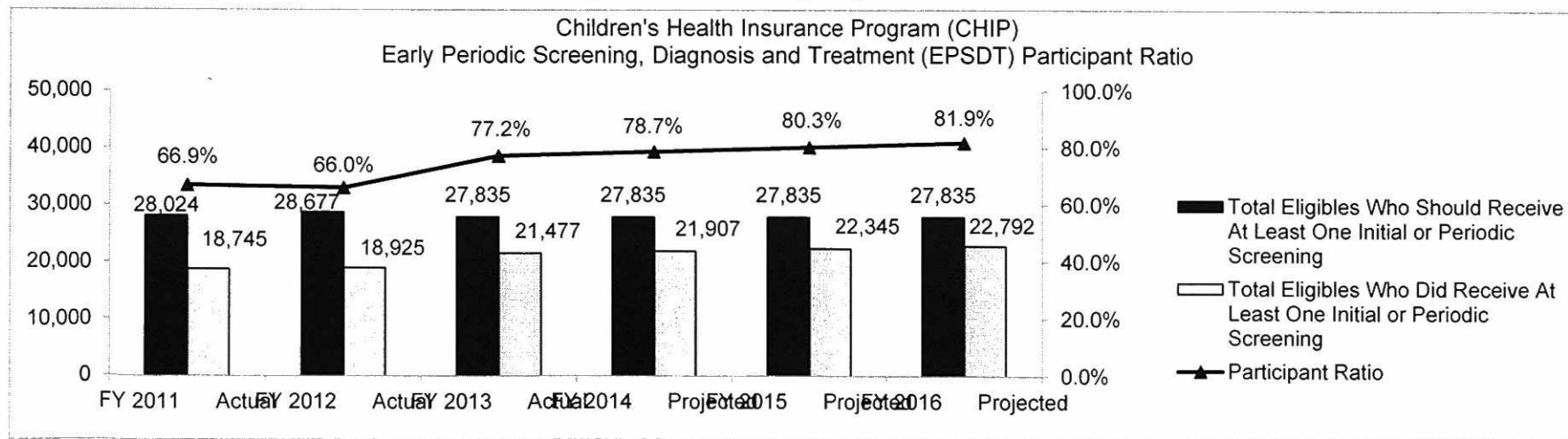
7a. Provide an effectiveness measure.

The CHIP program continues to provide health care coverage to thousands of Missouri's children. These children would be uninsured without CHIP coverage.



7b. Provide an efficiency measure.

The CHIP program provides uninsured children with Early Periodic Screening, Diagnosis and Treatment services.



PROGRAM DESCRIPTION

Department: Social Services

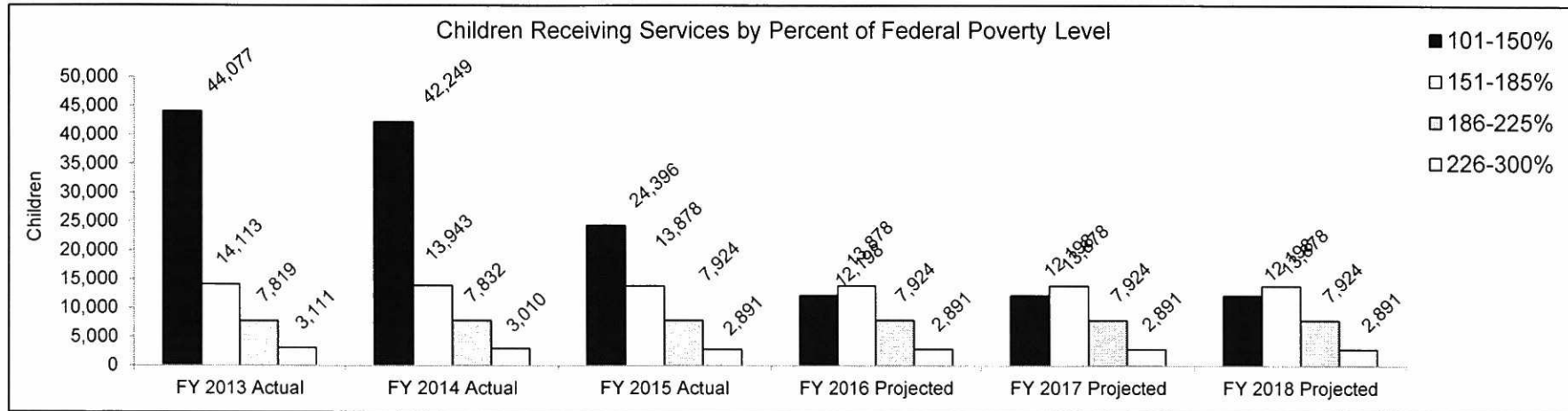
HB Section: 11.555

Program Name: Children's Health Insurance Program (CHIP)

Program is found in the following core budget(s): Children's Health Insurance Program (CHIP)

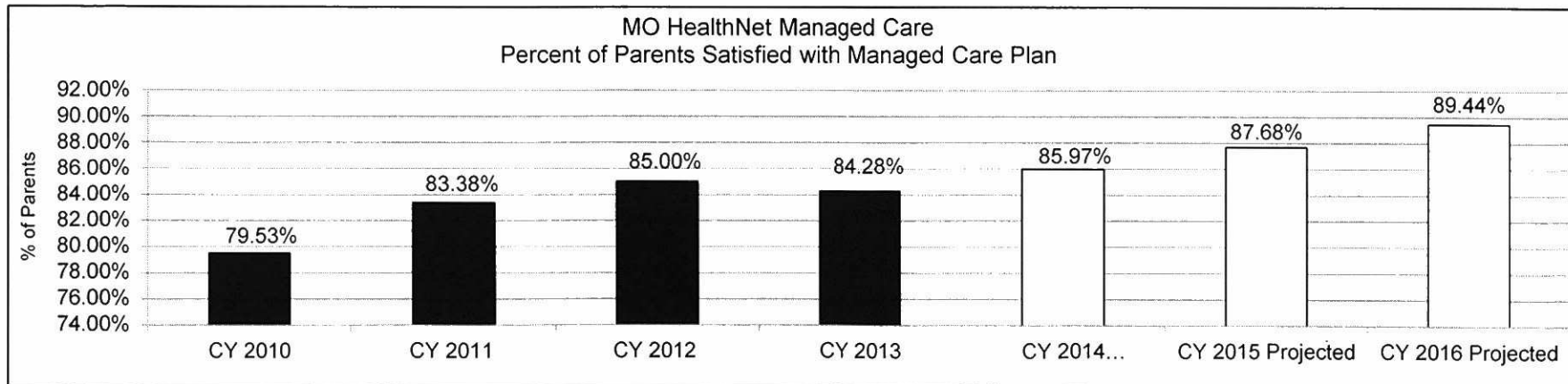
7c. Provide the number of clients/individuals served, if applicable.

Participants are children above the existing Title XIX Medicaid eligibility up to 300% of the federal poverty level (FPL). As of September 2005, children in the categories from 151-300% of the federal poverty level (FPL) are required to pay premiums.



7d. Provide a customer satisfaction measure, if available.

Children with CHIP coverage who reside in a MO HealthNet Managed Care region, receive their services from the MO HealthNet Managed Care health plans.



Show-Me Healthy Babies

DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
SHOW-ME BABIES								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	0	0.00	57,500	0.00	57,500	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	57,500	0.00	57,500	0.00	0	0.00
TOTAL - EE	0	0.00	115,000	0.00	115,000	0.00	0	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	3,480,285	0.00	3,480,285	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	10,077,505	0.00	10,077,505	0.00	0	0.00
TOTAL - PD	0	0.00	13,557,790	0.00	13,557,790	0.00	0	0.00
TOTAL	0	0.00	13,672,790	0.00	13,672,790	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$13,672,790	0.00	\$13,672,790	0.00	\$0	0.00

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CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Show Me Healthy Babies

Budget Unit: 90524C
HB Section: 11.556

1. CORE FINANCIAL SUMMARY

	FY 2017 Budget Request			
	GR	Federal	Other	Total
PS				
EE	57,500	57,500		115,000
PSD	3,480,285	10,077,505		13,557,790
TRF				
Total	3,537,785	10,135,005		13,672,790

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

	FY 2017 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

This core request is for funding to serve low-income unborn children from families with incomes up to 300% FPL. Services will include all prenatal care and pregnancy-related services that benefit the health of the unborn child and that promote healthy labor, delivery, birth, and postpartum care.

3. PROGRAM LISTING (list programs included in this core funding)

Show Me Healthy Babies

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Show Me Healthy Babies

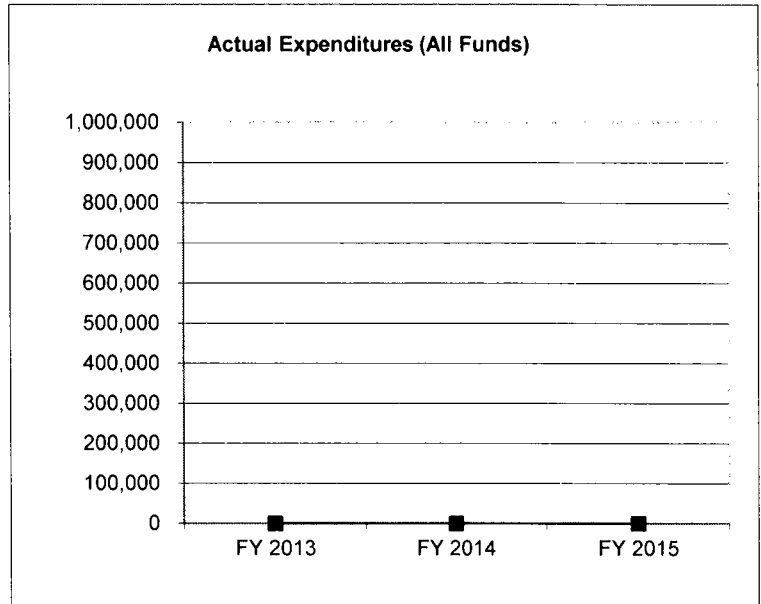
Budget Unit: 90524C

HB Section: 11.556

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	0	0	0	13,672,790
Less Reverted (All Funds)	0	0	0	
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	0	0	N/A
Actual Expenditures (All Funds)	0	0	0	N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0			N/A

(1)



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY16 is the first year of the program.

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
SHOW-ME BABIES**

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	57,500	57,500	0	115,000	
	PD	0.00	3,480,285	10,077,505	0	13,557,790	
	Total	0.00	3,537,785	10,135,005	0	13,672,790	
DEPARTMENT CORE REQUEST							
	EE	0.00	57,500	57,500	0	115,000	
	PD	0.00	3,480,285	10,077,505	0	13,557,790	
	Total	0.00	3,537,785	10,135,005	0	13,672,790	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	57,500	57,500	0	115,000	
	PD	0.00	3,480,285	10,077,505	0	13,557,790	
	Total	0.00	3,537,785	10,135,005	0	13,672,790	

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
SHOW-ME BABIES								
CORE								
PROFESSIONAL SERVICES	0	0.00	115,000	0.00	115,000	0.00	0	0.00
TOTAL - EE	0	0.00	115,000	0.00	115,000	0.00	0	0.00
PROGRAM DISTRIBUTIONS	0	0.00	13,557,790	0.00	13,557,790	0.00	0	0.00
TOTAL - PD	0	0.00	13,557,790	0.00	13,557,790	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$13,672,790	0.00	\$13,672,790	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$3,537,785	0.00	\$3,537,785	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$10,135,005	0.00	\$10,135,005	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.556

Program Name: Show Me Healthy Babies

Program is found in the following core budget(s): Show Me Healthy Babies

1. What does this program do?

Effective July 1, 2015, Missouri is establishing the Show-Me Healthy Babies program as a separate Children's Health Insurance Program (CHIP) for low-income unborn children from families with incomes up to 300% FPL (305% FPL using modified adjusted gross income). In calculating family size as it relates to income eligibility, the family shall include, in addition to other family members, the unborn child, or in the case of a mother with a multiple pregnancy, all unborn children. The mother of the unborn child must not be eligible for coverage under the Medicaid program, as it is administered by the State, and must not have access to affordable employer-subsidized health care insurance or other affordable health care coverage that includes coverage for the unborn child.

The unborn child's coverage period will extend from conception to birth. Services will include all prenatal care and pregnancy-related services that benefit the health of the unborn child and that promote healthy labor, delivery, birth, and postpartum care. Pregnancy-related and postpartum coverage for the mother will begin on the day the pregnancy ends and extend through the last day of the month that includes the sixtieth (60th) day after the pregnancy ends. Coverage for the child will continue for up to one year after birth, unless otherwise prohibited by law or unless otherwise limited by the Missouri General Assembly through appropriations.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State Statue: RSMO Section 208.662; Federal law: Social Security Act, Title XXI; Federal Regulations: 42 CFR 457.10.

3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on Medicaid program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Missouri's enhanced CHIP FMAP for FY16 is a blended 74.33% federal match until October 1, 2015 when new enhanced rate becomes 97.33%. The state matching requirement for the CHIP program is 25.67% until October 1, 2015 when the new state matching rate will be 2.67%.

4. Is this a federally mandated program? If yes, please explain.

No.

PROGRAM DESCRIPTION

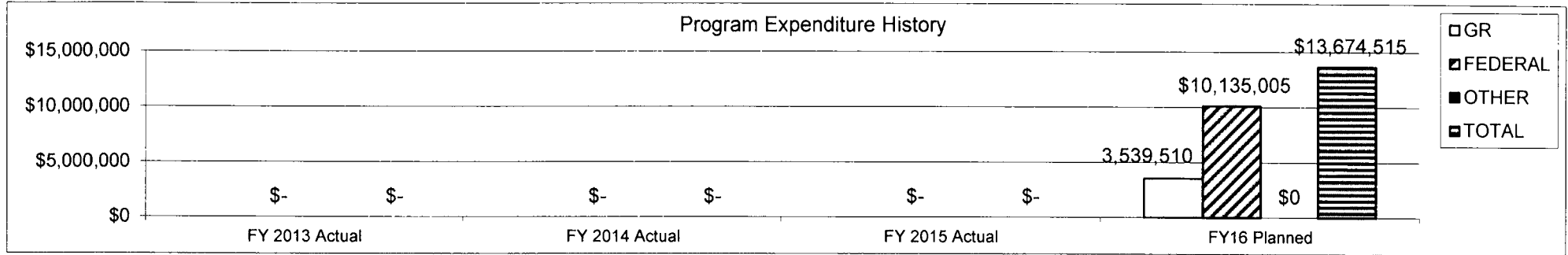
Department: Social Services

HB Section: 11.556

Program Name: Show Me Healthy Babies

Program is found in the following core budget(s): Show Me Healthy Babies

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



New in FY 2016. Planned expenditures are net of reserve and reverted.

6. What are the sources of the "Other" funds?

N/A

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A

Nursing Facility FRA

DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
NURSING FACILITY FED REIMB AL								
CORE								
PROGRAM-SPECIFIC								
NURSING FACILITY FED REIM ALLW	325,332,526	0.00	325,332,526	0.00	325,332,526	0.00	0	0.00
TOTAL - PD	325,332,526	0.00	325,332,526	0.00	325,332,526	0.00	0	0.00
TOTAL	325,332,526	0.00	325,332,526	0.00	325,332,526	0.00	0	0.00
MHD FY17 Cost to Continue - 1886001								
PROGRAM-SPECIFIC								
NURSING FACILITY FED REIM ALLW	0	0.00	0	0.00	931,039	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	931,039	0.00	0	0.00
TOTAL	0	0.00	0	0.00	931,039	0.00	0	0.00
GRAND TOTAL	\$325,332,526	0.00	\$325,332,526	0.00	\$326,263,565	0.00	\$0	0.00

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CORE DECISION ITEM

Department: Social Services
 Division: MO HealthNet
 Core: Nursing Facilities Federal Reimbursement Allowance (NFFRA) Payments

Budget Unit: 90567C
 HB Section: 11.585

1. CORE FINANCIAL SUMMARY

	FY 2017 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD			325,332,526	325,332,526
TRF				
Total			325,332,526	325,332,526

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Nursing Facility Federal Reimb Allowance Fund (NFFRA) (0196)

	FY 2017 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

This core request is for ongoing funding for payments for long term care for Title XIX participants. Funds from this core are used to provide enhanced payment rates for improving the quality of patient care using the Nursing Facility Federal Reimbursement Allowance (NFFRA) under the Title XIX of the Social Security Act as a General Revenue equivalent. Nursing facilities are assessed a provider tax for the privilege of doing business in the state. The assessment is a general revenue equivalent, and when used to make valid Medicaid payments, earns federal Medicaid matching funds. These earnings fund the NFFRA program.

3. PROGRAM LISTING (list programs included in this core funding)

Nursing Facilities Federal Reimbursement Allowance (NFFRA) Program

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Nursing Facilities Federal Reimbursement Allowance (NFFRA) Payments

Budget Unit: 90567C
HB Section: 11.585

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	301,027,717	301,027,717	325,332,526	325,332,526
Less Reverted (All Funds)	0	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	301,027,717	301,027,717	325,332,526	N/A
Actual Expenditures (All Funds)	284,584,398	301,027,717	325,332,526	N/A
Unexpended (All Funds)	16,443,319	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	16,443,319	0	0	N/A

(1)

(2)

(3)

Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

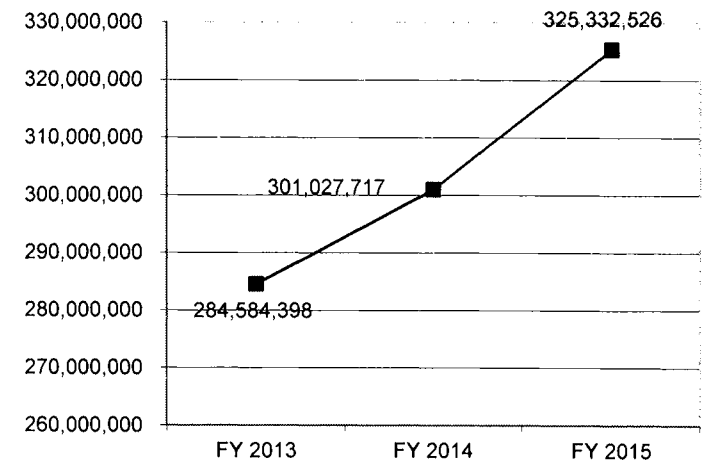
NOTES:

(1) FY13 Estimated appropriation or "E" status removed.

(2) FY14 \$12,690,536 paid from supplemental pool.

(3) FY15 \$13,875,469 in supplemental appropriations.

Actual Expenditures (All Funds)



CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Nursing Facilities Federal Reimbursement Allowance (NFFRA) Payments

Budget Unit: 90567C
HB Section: 11.585

Cost Per Eligible - Per Member Per Month (PMPM)

	Nursing Facility PMPM*	Acute Care PMPM	Total PMPM	Nursing Facility Percentage of Acute	Nursing Facility Percentage of Total
PTD	\$183.33	\$1,074.20	\$1,961.17	17.07%	9.35%
Seniors	\$822.46	\$368.96	\$1,565.89	222.91%	52.52%
Custodial Parents	\$0.47	\$473.61	\$507.28	0.10%	0.09%
Children*	\$0.00	\$274.18	\$303.51	0.00%	0.00%
Pregnant Women	\$0.00	\$657.06	\$671.28	0.00%	0.00%

Source: Table 23 Medical Statistics for Fiscal Year 2015 (claims paid data).

The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MHD management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

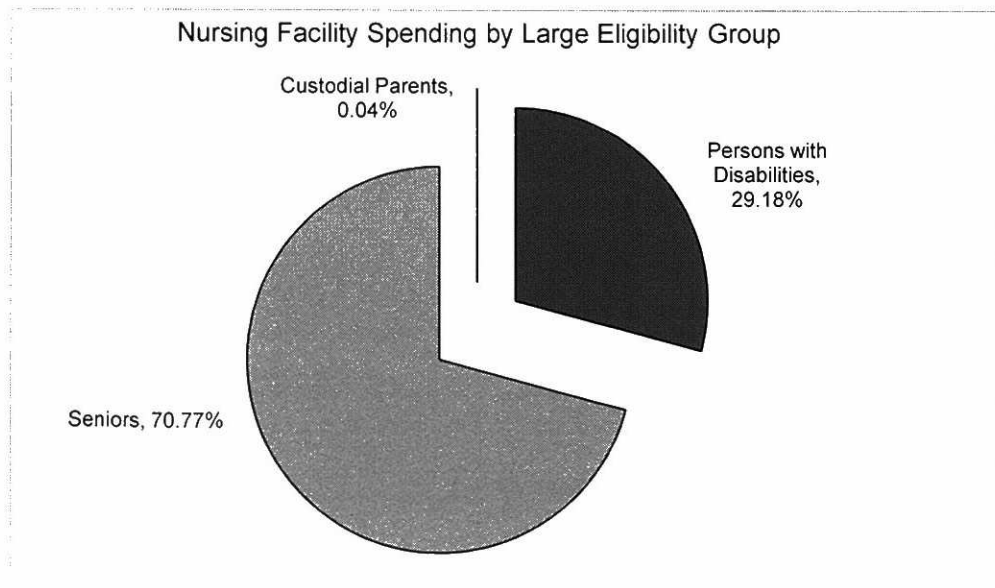
Add-on payments funded from FRA provider tax not included.

* CHIP eligibles not included

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for nursing facilities, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, drugs, managed care payments, Medicare co-pay/deductibles and other acute services administered by MHD. It does not include nursing facilities, in-home services, mental health services and state institutions. By comparing the nursing facility PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for nursing facilities. It provides a snapshot of what eligibility groups are receiving nursing facility services as well as the populations impacted by program changes.



Source: Table 23 Medical Statistics for Fiscal Year 2015 (claims paid data).

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES
NURSING FACILITY FED REIMB AL

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	0	0	325,332,526	325,332,526	
	Total	0.00	0	0	325,332,526	325,332,526	
DEPARTMENT CORE REQUEST							
	PD	0.00	0	0	325,332,526	325,332,526	
	Total	0.00	0	0	325,332,526	325,332,526	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	0	0	325,332,526	325,332,526	
	Total	0.00	0	0	325,332,526	325,332,526	

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
NURSING FACILITY FED REIMB AL								
CORE								
PROGRAM DISTRIBUTIONS	325,332,526	0.00	325,332,526	0.00	325,332,526	0.00	0	0.00
TOTAL - PD	325,332,526	0.00	325,332,526	0.00	325,332,526	0.00	0	0.00
GRAND TOTAL	\$325,332,526	0.00	\$325,332,526	0.00	\$325,332,526	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$325,332,526	0.00	\$325,332,526	0.00	\$325,332,526	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.585

Program Name: Nursing Facilities Federal Reimbursement Allowance (NFFRA) Payments

Program is found in the following core budget(s): Nursing Facilities Federal Reimbursement Allowance (NFFRA) Payments

1. What does this program do?

The Nursing Facilities Federal Reimbursement Allowance (NFFRA) program assesses nursing facilities in the state a fee for the privilege of doing business in the state. The funds collected by the state are used to fund the MO HealthNet Nursing Facility program and are used as state match for federal funding. In FY15, 518 nursing facilities were assessed and 504 nursing facilities participated in the MO HealthNet program and received enhanced reimbursement. In FY14, NFFRA was \$12.11 per patient occupancy day and funded a portion of the nursing facility per diem reimbursement rate. For FY 16, proposed and emergency amendments were filed with the Secretary of State to increase the NFFRA rate to \$13.40 per patient occupancy day, effective July 1, 2015, to maintain sufficient funding for nursing facility per diem reimbursement rate. The NFFRA program has been reauthorized through June 30, 2016.

Since FY 1995, the Nursing Facilities Federal Reimbursement Allowance program was implemented as part of a total restructuring of reimbursement for nursing homes. Reimbursement methodologies were changed to reimburse particular cost components. The components are patient care, ancillary, administration, and capital. A working capital allowance, incentives, and the Nursing Facility Reimbursement Allowance (NFFRA) are also elements of the total reimbursement rate. Patient care includes nursing, medical supplies, activities, social services, and dietary costs. Ancillary services are therapies, barber and beauty shop, laundry, and housekeeping. Administration includes plant operation and administrative costs. Capital costs are reimbursed through a fair rental value methodology. The capital component includes five types of costs: rental value, return, computed interest, borrowing costs and pass-through expenses. Property insurance and real estate and personal property taxes (the pass-through expenses) are the only part of the capital component that is trended. The working capital allowance per diem rate is equal to 1.1 months of the total of the facility's per diem rates for the patient care, ancillary and administration cost components multiplied by the prime rate plus 2%. Incentives are paid to encourage patient care expenditures and cost efficiencies in administration. The patient care incentive is 10% of a facility's patient care per diem up to a maximum of 130% of the patient care median. The ancillary incentive is paid to all facilities whose costs are below the ancillary ceiling. The amount is one-half the difference between certain parameters. The multiple component incentive is allowed for facilities whose patient care and ancillary per diem are between 60 - 80% of total per diem and an additional amount is allowed for facilities with high MO HealthNet utilization.

Rate Increase History:

- FY15 \$1.25
- FY13 \$6.41
- FY10 \$6.15
- FY09 \$6.00
- FY08 \$9.00
- FY07 \$3.17

(FY16-FY14 see Nursing Facilities)

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 198.401; Federal law: Social Security Act Section 1903(w); Federal Regulation: 42 CFR 443, Subpart B

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.585

Program Name: Nursing Facilities Federal Reimbursement Allowance (NFFRA) Payments

Program is found in the following core budget(s): Nursing Facilities Federal Reimbursement Allowance (NFFRA) Payments

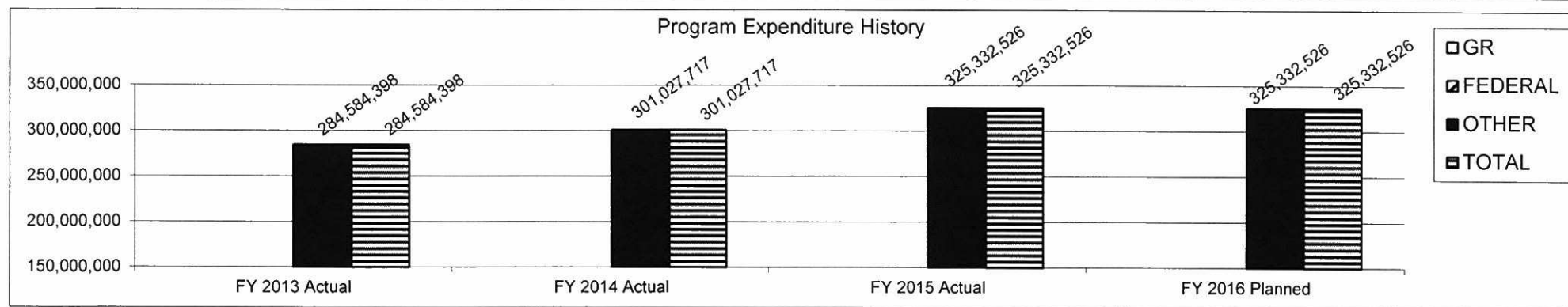
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures made in accordance with the approved State Plan. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY16 is a blended 63.323% federal match. The state matching requirement is 36.677%. The nursing facility assessments serve as the general revenue equivalent to earn Medicaid federal reimbursement.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other" funds?

Nursing Facility Federal Reimbursement Allowance Fund (0196)

PROGRAM DESCRIPTION

Department: Social Services

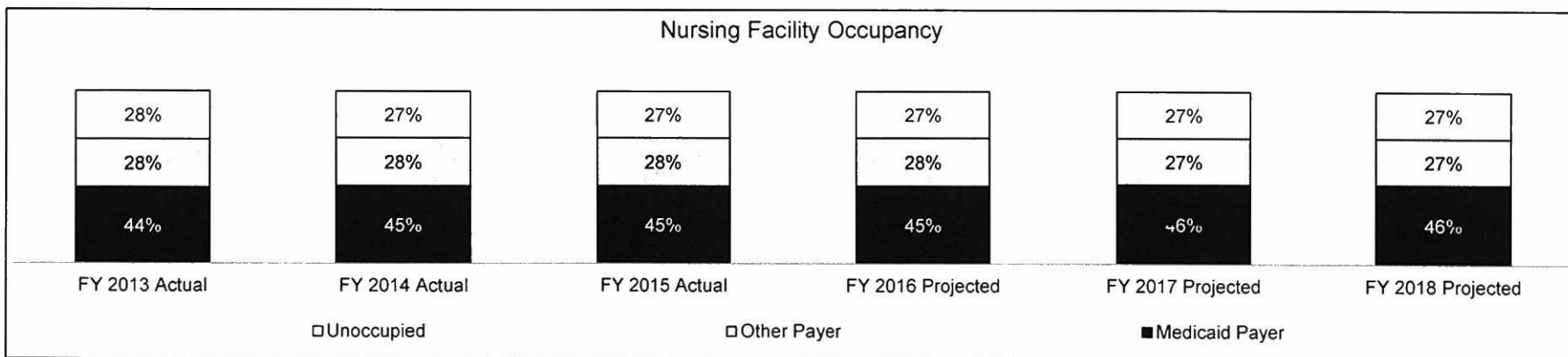
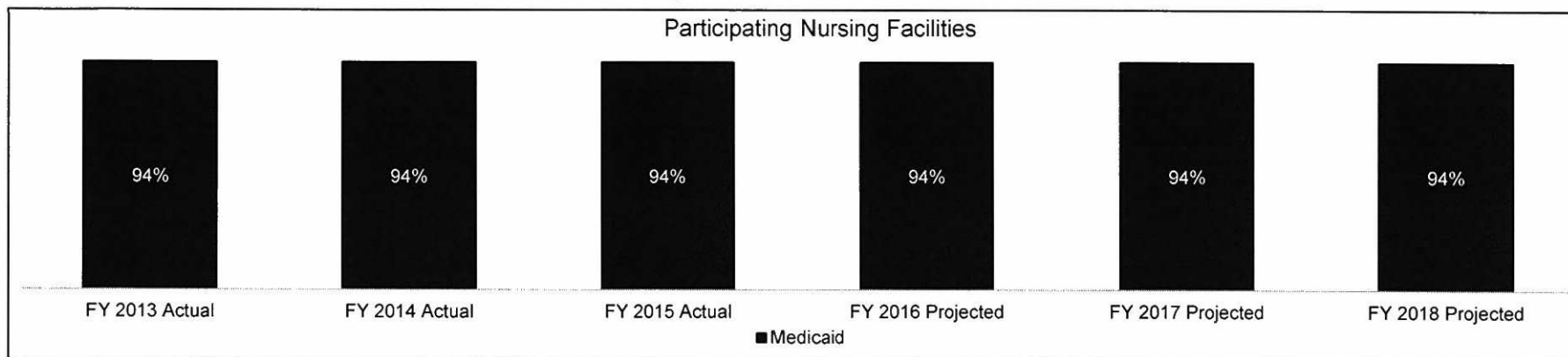
HB Section: 11.585

Program Name: Nursing Facilities Federal Reimbursement Allowance (NFFRA) Payments

Program is found in the following core budget(s): Nursing Facilities Federal Reimbursement Allowance (NFFRA) Payments

7a. Provide an effectiveness measure.

Provide reimbursement that is sufficient to ensure nursing facilities enroll in the MO HealthNet program. During the past three state fiscal years, over 90% of licensed nursing facilities in the state participated in the MO HealthNet program.



PROGRAM DESCRIPTION

Department: Social Services

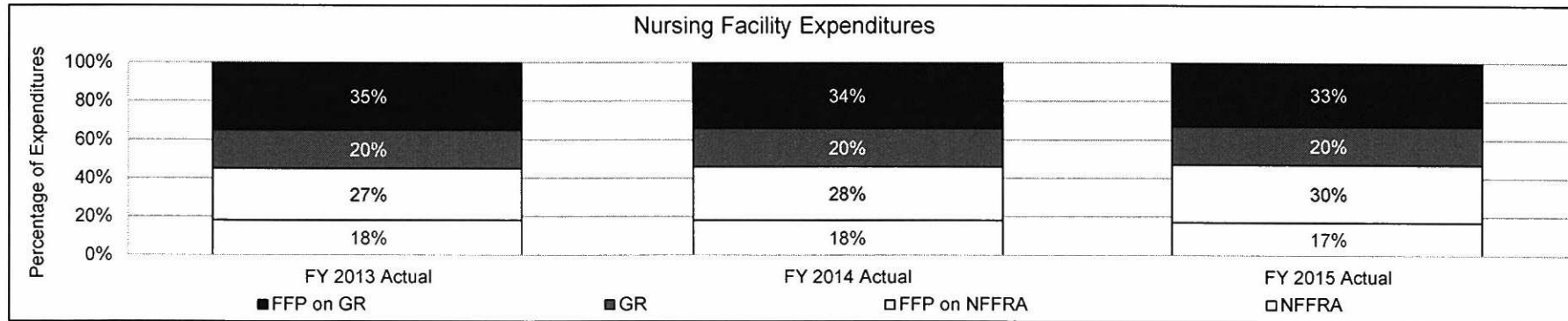
HB Section: 11.585

Program Name: Nursing Facilities Federal Reimbursement Allowance (NFFRA) Payments

Program is found in the following core budget(s): Nursing Facilities Federal Reimbursement Allowance (NFFRA) Payments

7b. Provide an efficiency measure.

Provide funding for the nursing facility program. During the past three state fiscal years, the nursing facility provider tax and the federal matching funds on the assessment provided at least 45% of nursing facility expenditures. NFFRA allows the state to provide enhanced reimbursements to nursing facilities minimizing the need for general revenue.



PROGRAM DESCRIPTION

Department: Social Services

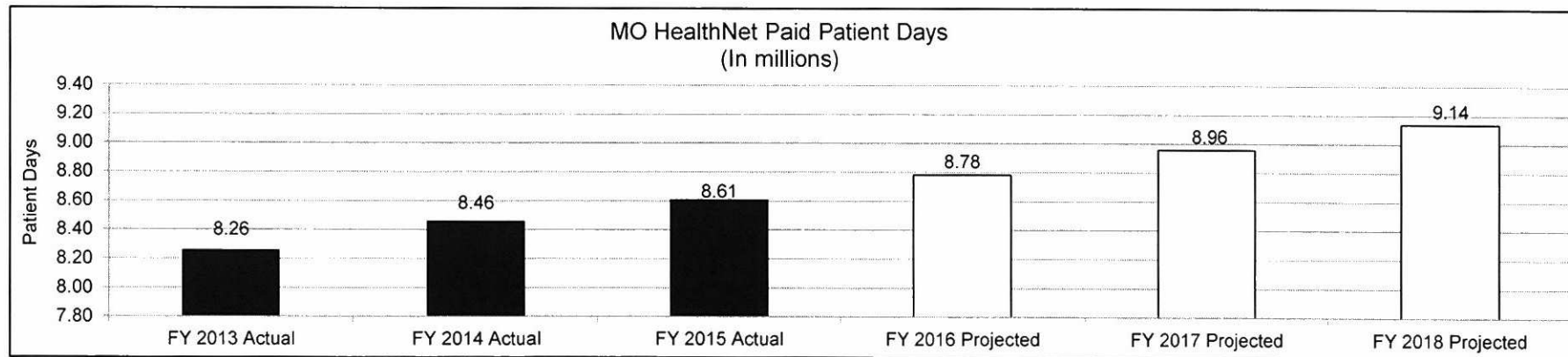
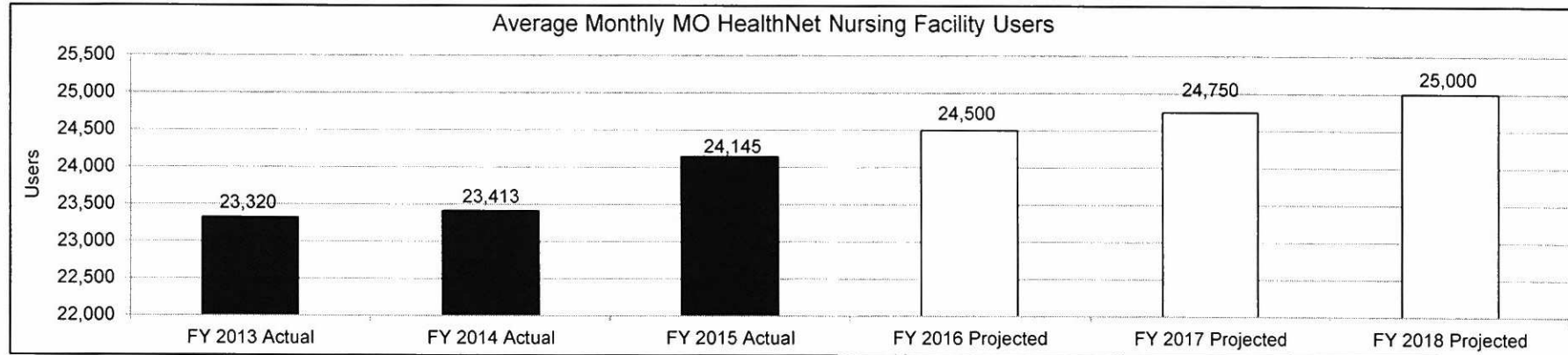
HB Section: 11.585

Program Name: Nursing Facilities Federal Reimbursement Allowance (NFFRA) Payments

Program is found in the following core budget(s): Nursing Facilities Federal Reimbursement Allowance (NFFRA) Payments

7c. Provide the number of clients/individuals served, if applicable.

Nursing Facility Federal Reimbursement Allowance (NFFRA) payments are made on behalf of MO HealthNet eligibles for long-term care services.



7d. Provide a customer satisfaction, if applicable.

N/A

School District Medicaid Claiming

DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
SCHOOL DISTRICT CLAIMING								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	93,069	0.00	242,525	0.00	242,525	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	29,176,743	0.00	39,653,770	0.00	39,653,770	0.00	0	0.00
TOTAL - PD	29,269,812	0.00	39,896,295	0.00	39,896,295	0.00	0	0.00
TOTAL	29,269,812	0.00	39,896,295	0.00	39,896,295	0.00	0	0.00
GRAND TOTAL	\$29,269,812	0.00	\$39,896,295	0.00	\$39,896,295	0.00	\$0	0.00

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CORE DECISION ITEM

Department: Social Services
 Division: MO HealthNet
 Core: School District Medicaid Claiming

Budget Unit: 90569C
 HB Section: 11.590

1. CORE FINANCIAL SUMMARY

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	242,525	39,653,770		39,896,295
TRF				
Total	242,525	39,653,770		39,896,295
FTE				0.00

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0
FTE				0.00

Est. Fringe	0	0	0	0
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.				

Other Funds:

2. CORE DESCRIPTION

This core request is for the ongoing funding for payments for school-based administrative and school-based EPSDT services.

The purpose of the services provided by the school are to ensure a comprehensive, preventative health care program for MO HealthNet eligible children. The program provides early and periodic medical/dental screenings, diagnosis and treatment to correct or improve defects and chronic conditions found during the screenings.

3. PROGRAM LISTING (list programs included in this core funding)

School-based administrative and school-based EPSDT services.

CORE DECISION ITEM

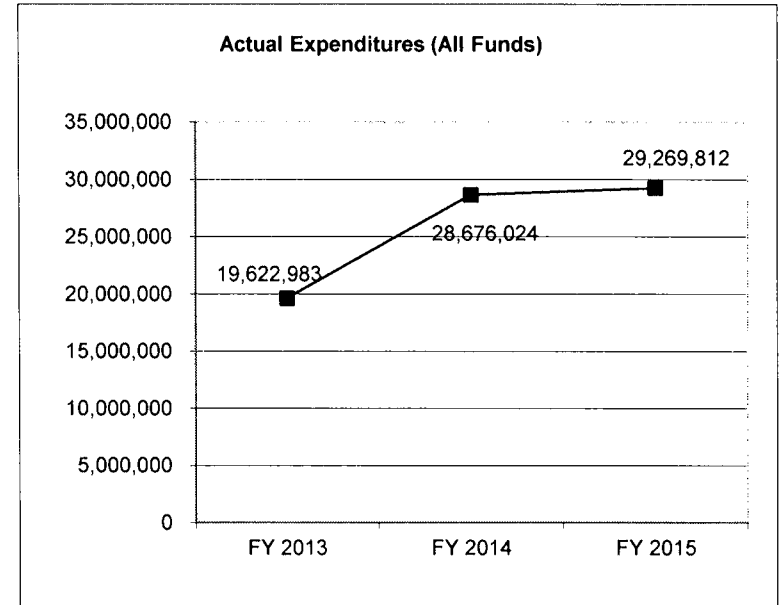
Department: Social Services
Division: MO HealthNet
Core: School District Medicaid Claiming

Budget Unit: 90569C

HB Section: 11.590

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Current Yr.	FY 2016 Current Yr.
Appropriation (All Funds)	54,653,770	54,723,724	54,903,770	39,896,295
Less Reverted (All Funds)	0	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	54,653,770	54,723,724	54,903,770	N/A
Actual Expenditures (All Funds)	19,622,983	28,676,024	29,269,812	N/A
Unexpended (All Funds)	35,030,787	26,047,700	25,633,958	N/A
Unexpended, by Fund:				
General Revenue	0	0	156,931	N/A
Federal	35,030,787	26,047,700	25,477,027	N/A
Other	0	0	0	N/A
	(1)	(2)	(3)	



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY13 Estimated appropriation or "E" status removed and expenditures of \$28,260 were paid from the Supplemental Pool.

(2) FY14 Expenditures of \$79,373 were paid from the Supplemental Pool.

(3) FY15 \$180,046 GR supplemental appropriation.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES SCHOOL DISTRICT CLAIMING

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	242,525	39,653,770	0	39,896,295	
	Total	0.00	242,525	39,653,770	0	39,896,295	
DEPARTMENT CORE REQUEST							
	PD	0.00	242,525	39,653,770	0	39,896,295	
	Total	0.00	242,525	39,653,770	0	39,896,295	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	242,525	39,653,770	0	39,896,295	
	Total	0.00	242,525	39,653,770	0	39,896,295	

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
SCHOOL DISTRICT CLAIMING								
CORE								
PROGRAM DISTRIBUTIONS	29,269,812	0.00	39,896,295	0.00	39,896,295	0.00	0	0.00
TOTAL - PD	29,269,812	0.00	39,896,295	0.00	39,896,295	0.00	0	0.00
GRAND TOTAL	\$29,269,812	0.00	\$39,896,295	0.00	\$39,896,295	0.00	\$0	0.00
GENERAL REVENUE	\$93,069	0.00	\$242,525	0.00	\$242,525	0.00		0.00
FEDERAL FUNDS	\$29,176,743	0.00	\$39,653,770	0.00	\$39,653,770	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.590

Program Name: School Districts Medicaid Claiming

Program is found in the following core budget(s): School Districts Medicaid Claiming

1. What does this program do?

This core appropriation provides funding for payment for school district administration claiming and school-based early and periodic screening, diagnostic and treatment (EPSDT) services consisting of physical, occupational, and speech therapy services, audiology, personal care, private duty nursing, and psychology counseling services identified in an Individualized Education Plan (IEP) for school age children. An interagency agreement is in place between the MO HealthNet Division and participating school districts for administrative claiming. For school based direct services, each school district enrolls with MO HealthNet to provide the most efficient administration of the school-based EPSDT services for children within the school system. The provision of school-based EPSDT services by school districts expands MO HealthNet EPSDT services and is an effective method of coordinating services and improving care. The federal share of expenditures for these services provided by DESE school districts are paid through this appropriation.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

42 CFR 441.50 and 441.55-441.60

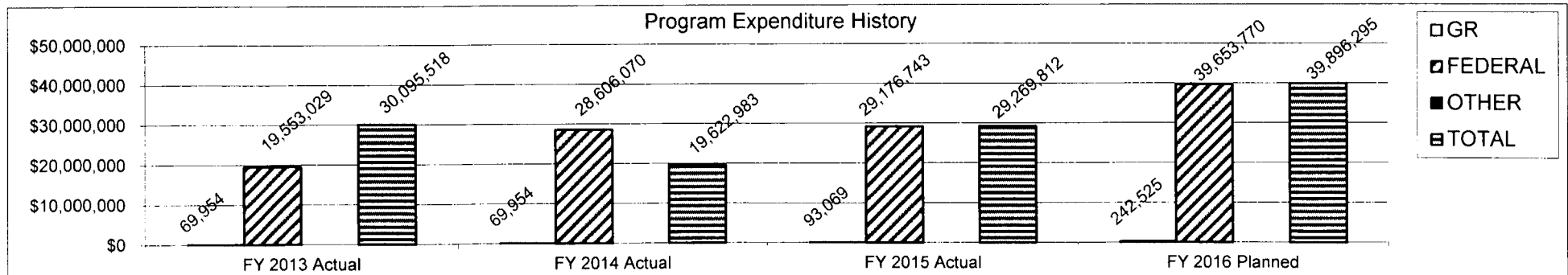
3. Are there federal matching requirements? If yes, please explain.

Medicaid allowable services provided by school districts receive a federal medical assistance percentage (FMAP) on expenditures. Administrative expenditures earn a 50% federal match and the state matching requirement is 50%. Direct services earn Missouri's FMAP. Generally, Missouri's FMAP for FY 16 is a blended 63.323% federal match rate. The state matching requirement is 36.677%.

4. Is this a federally mandated program? If yes, please explain.

No

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.590

Program Name: School Districts Medicaid Claiming

Program is found in the following core budget(s): School Districts Medicaid Claiming

6. What are the sources of the "Other " funds?

N/A

7a. Provide an effectiveness measure.

EPSDT Participant Ratio

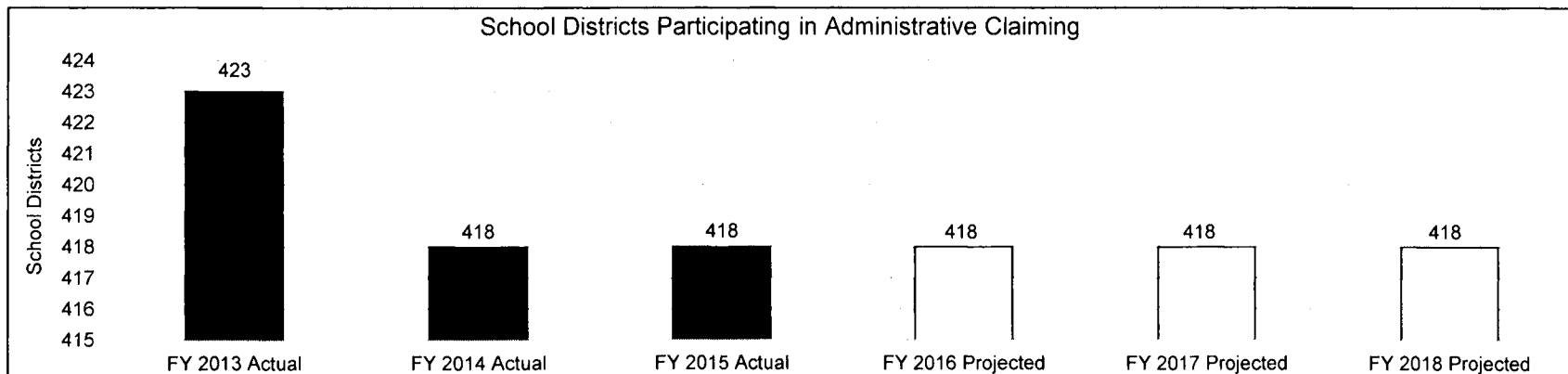
* Federal Fiscal Year	Participants Who Should Have Received a Screening	Participants Who Received At Least One Screening	Percent
2012 Actual	429,478	320,844	75%
2013 Actual	409,698	304,131	74%
2014 Actual	395,881	278,040	70%
2015 Projected	395,881	278,040	70%
2016 Projected	395,881	278,040	70%
2017 Projected	395,881	278,040	70%

*Based on federal fiscal year in which report was submitted to CMS.

Increase the provision of medically necessary services to MO HealthNet eligible children as provided through EPSDT by 42 CFR 441 Subpart B. The EPSDT participant ratio decreased from FFY 2013 to FFY 2014. The rate for FFY14 is 70%.

Increase the number of schools participating in administrative claiming and school based services. In SFY 2014 there were 418 schools participating in administrative claiming. In SFY 2014, there were 245 school districts participating in school based services. The number of schools participating in administrative claiming and school based services remained the same for SFY 2015. Any school district in the state may participate.

School Districts Participating in Administrative Claiming



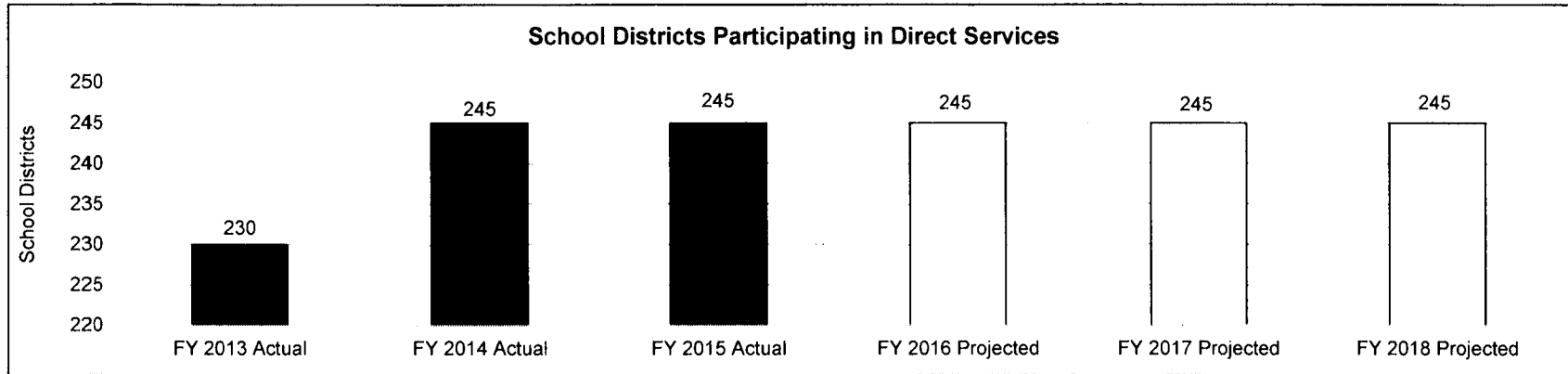
PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.590

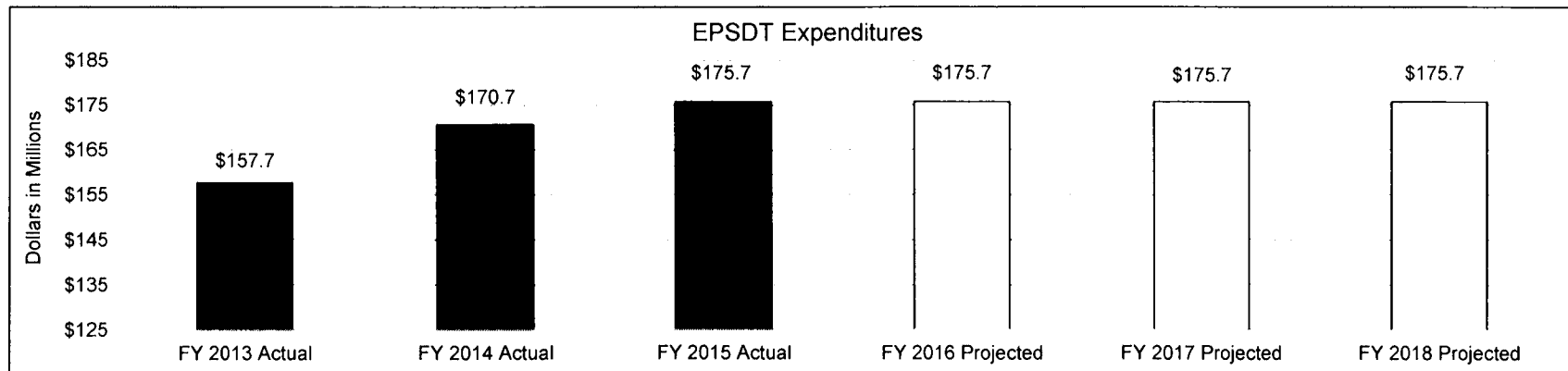
Program Name: School Districts Medicaid Claiming

Program is found in the following core budget(s): School Districts Medicaid Claiming



7b. Provide an efficiency measure.

Increase the EPSDT participant ratio while maximizing federal claiming opportunities to benefit local school districts. In SFY 2015, EPSDT expenditures increased approximately 2.93% from SFY 2014 while the EPSDT participant ratio decreased 4% in FFY 2015. SFY15 EPSDT expenditures were \$175.7 million.



PROGRAM DESCRIPTION

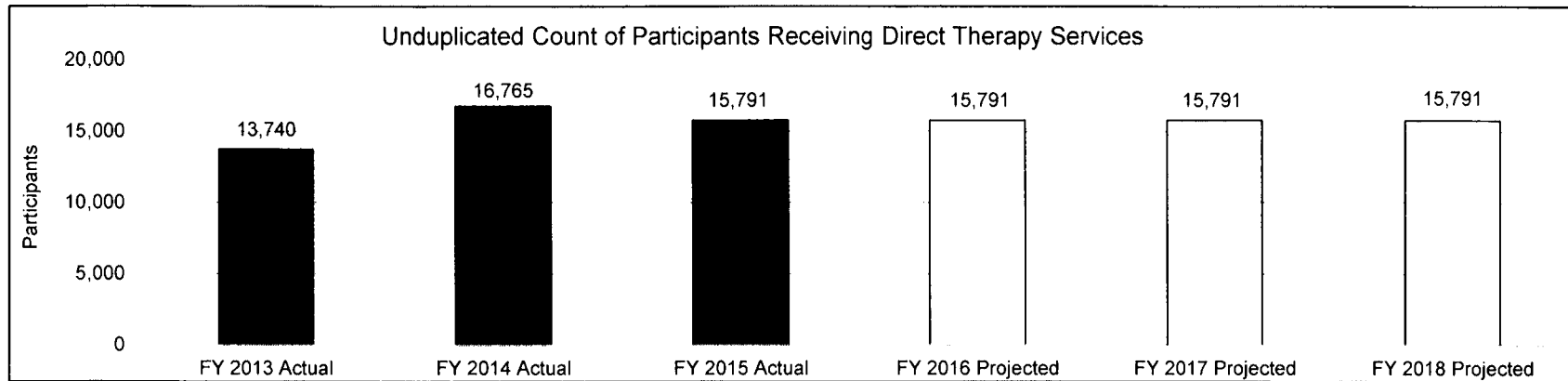
Department: Social Services

HB Section: 11.590

Program Name: School Districts Medicaid Claiming

Program is found in the following core budget(s): School Districts Medicaid Claiming

7c. Provide the number of clients/individuals served, if applicable.



7d. Provide a customer satisfaction measure, if available.

N/A

Blind Medical

DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN	
BLIND PENSION MEDICAL BENEFITS									
CORE									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	23,531,130	0.00	23,531,130	0.00	0	0.00	
TOTAL - PD	0	0.00	23,531,130	0.00	23,531,130	0.00	0	0.00	
TOTAL	0	0.00	23,531,130	0.00	23,531,130	0.00	0	0.00	
MHD FY17 Cost to Continue - 1886001									
PROGRAM-SPECIFIC									
GENERAL REVENUE	0	0.00	0	0.00	3,537,438	0.00	0	0.00	
TOTAL - PD	0	0.00	0	0.00	3,537,438	0.00	0	0.00	
TOTAL	0	0.00	0	0.00	3,537,438	0.00	0	0.00	
GRAND TOTAL	\$0	0.00	\$23,531,130	0.00	\$27,068,568	0.00	\$0	0.00	

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CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Blind Pension Medical

Budget Unit: 90573C

HB Section: 11.595

1. CORE FINANCIAL SUMMARY

FY 2017 Budget Request				
	GR	Federal	Other	Total
PS				
EE				
PSD	23,531,130			23,531,130
TRF				
Total	23,531,130			23,531,130

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2017 Governor's Recommendation				
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total	0			0

FTE 0.00

Est. Fringe	0	0	0	0
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Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

This core funds a state only health care benefit for Blind Pension participants who do not qualify for Title XIX Medicaid.

3. PROGRAM LISTING (list programs included in this core funding)

Blind Pension Medical

CORE DECISION ITEM

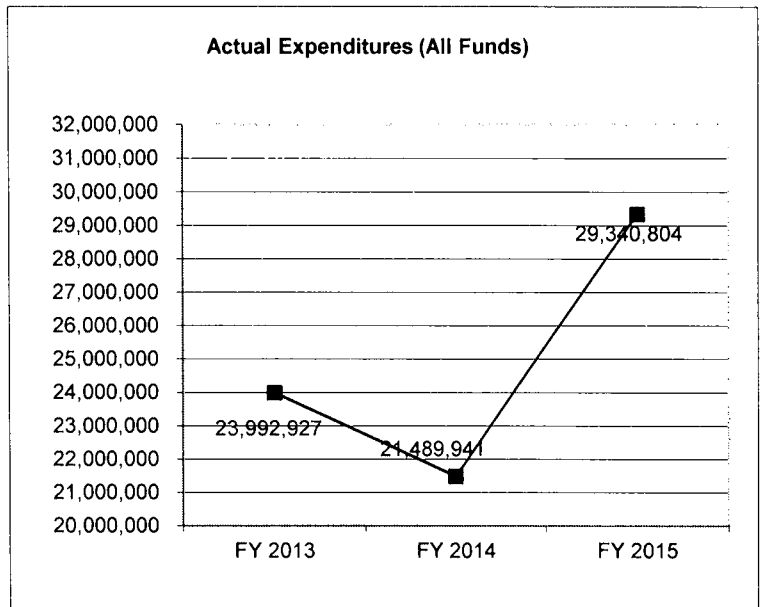
Department: Social Services
Division: MO HealthNet
Core: Blind Pension Medical

Budget Unit: 90573C

HB Section: 11.595

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	28,112,915	25,122,517	36,302,992	23,531,130
Less Reverted (All Funds)	(150,000)	0	(614,142)	N/A
Less Restricted (All Funds)				
Budget Authority (All Funds)	27,962,915	25,122,517	35,688,850	N/A
Actual Expenditures (All Funds)	23,992,927	21,489,941	29,340,804	N/A
Unexpended (All Funds)	3,969,988	4,119,988	6,348,046	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	3,632,576	4,119,988	6,348,046	N/A
	(1)	(2)	(3)	(4)



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY13 Blind Pension Medical was located in the Family Service Division.

(2) FY14 This section moved back to MO HealthNet Division

(3) FY15 This section moved to the Family Service Division.

(4) FY16 This section moved back to the MO HealthNet Division.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES BLIND PENSION MEDICAL BENEFITS

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	23,531,130	0	0	23,531,130	
	Total	0.00	23,531,130	0	0	23,531,130	
DEPARTMENT CORE REQUEST							
	PD	0.00	23,531,130	0	0	23,531,130	
	Total	0.00	23,531,130	0	0	23,531,130	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	23,531,130	0	0	23,531,130	
	Total	0.00	23,531,130	0	0	23,531,130	

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90554C BUDGET UNIT NAME: Blind Medical HOUSE BILL SECTION: 11.595	DEPARTMENT: Social Services DIVISION: MO HealthNet
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1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

DEPARTMENT REQUEST			
	Core	% Flex Requested	Flex Requested Amount
<i>Total Program Request</i>	\$23,531,130	10%	\$2,353,113
	\$23,531,130	25%	\$5,882,783

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
None.	H.B. 11 language allows for up to 10% flexibility between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.485, 11.490, 11.505, 11.510, 11.550, 11.555, and 11.595 and 25% flexibility for use of this section for managed care.	10% flexibility between sections and 25% flexibility between FFS and Managed Care is being requested for FY 17.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
None.	Flexibility allows DSS to provide continued Medicaid benefits without an interruption in reimbursement to providers or partial payments.

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
BLIND PENSION MEDICAL BENEFITS								
CORE								
PROGRAM DISTRIBUTIONS	0	0.00	23,531,130	0.00	23,531,130	0.00	0	0.00
TOTAL - PD	0	0.00	23,531,130	0.00	23,531,130	0.00	0	0.00
GRAND TOTAL	\$0	0.00	\$23,531,130	0.00	\$23,531,130	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$23,531,130	0.00	\$23,531,130	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.595

Program Name: Blind Pension Medical

Program is found in the following core budget(s): Blind Pension Medical

1. What does this program do?

The Blind Pension Medical program provides a state-only funded health care benefit for Blind Pension participants who do not qualify for Title XIX Medicaid. The Blind Pension benefit provided for in law (ref. Missouri Constitution, Article III, Section 38 (b)) and includes the following eligibility requirements:

- 18 years of age or older;
- Lives in Missouri and intends to remain;
- United States citizen or eligible non-citizen;
- Has not given away, sold, or transferred real or personal property in order to be eligible for Blind Pension;
- Single, or married and living with spouse, and does not own real or personal property worth more than \$20,000. In determining the value of the property, the following is not considered: the home in which the blind person lives, clothing, furniture, household equipment, personal jewelry, or any property used directly by the blind person in earning a living.
- Is of good moral character;
- Has no sighted spouse living in Missouri who can provide support;
- Does not publicly solicit alms;
- Is determined to be totally blind as defined by law (up to 5/200 or visual field of less than 5 degrees);
- Is willing to have a medical treatment or an operation to cure their blindness, unless they are 75 years old or older;
- Is not a resident of a public, private, or endowed institution except a public medical institution;
- Is found to be ineligible for Supplemental Aid to the Blind; and
- Is found ineligible to receive federal Supplemental Security Income benefits.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.151, 208.152

3. Are there federal matching requirements? If yes, please explain.

No

4. Is this a federally mandated program? If yes, please explain.

No

PROGRAM DESCRIPTION

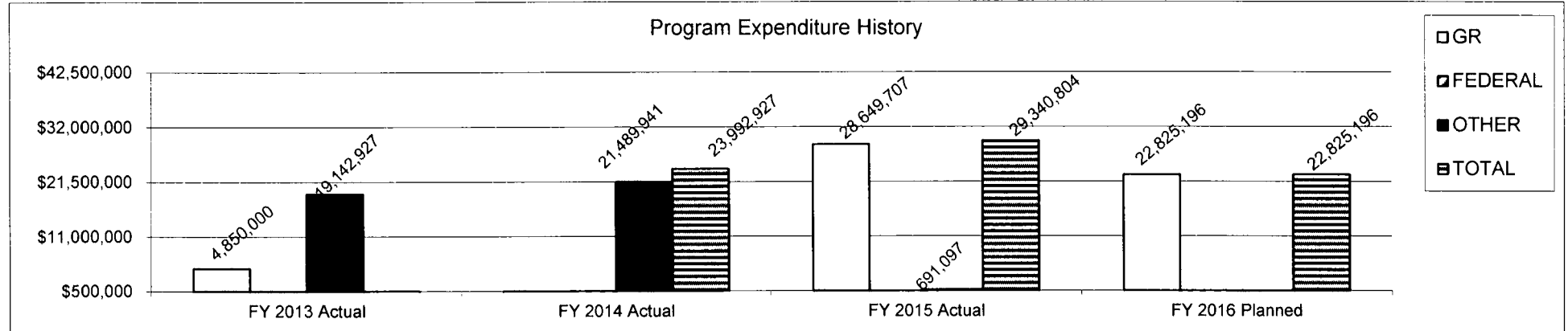
Department: Social Services

HB Section: 11.595

Program Name: Blind Pension Medical

Program is found in the following core budget(s): Blind Pension Medical

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY 2016 Planned is net of reserve and reverted.

6. What are the sources of the "Other " funds?

Pharmacy Federal Reimbursement Allowance Fund (0144); Missouri Senior Services Protection Fund (0425); Blind Pension Healthcare(0726); Blind Pension Premium (0725).

7a. Provide an effectiveness measure.

This appropriation represents a group of eligibles and not just one program. Effectiveness measures are incorporated into fee-for-service program sections.

7b. Provide an efficiency measure.

This appropriation represents a group of eligibles and not just one program. Effectiveness measures are incorporated into fee-for-service program sections.

PROGRAM DESCRIPTION

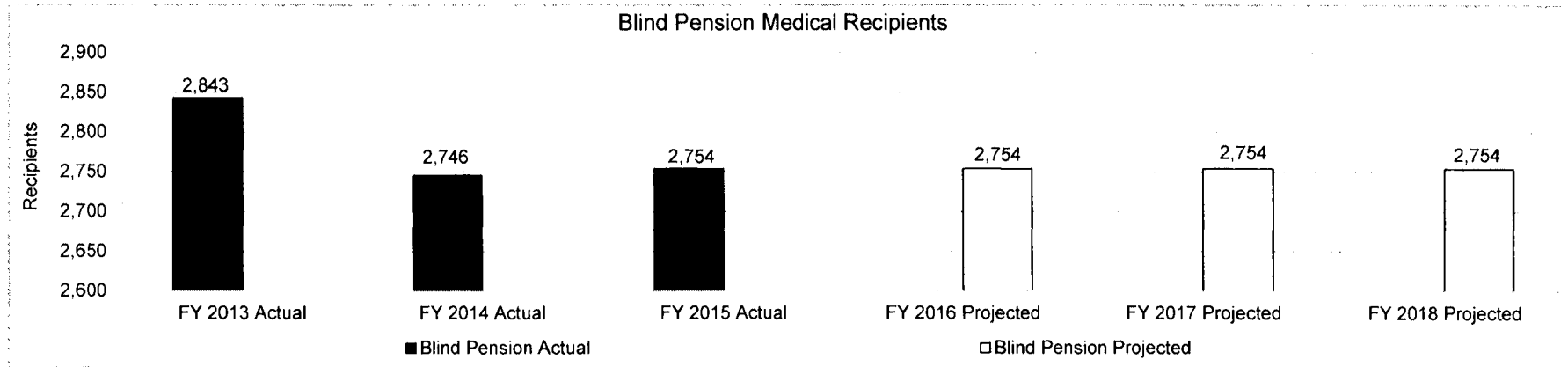
Department: Social Services

HB Section: 11.595

Program Name: Blind Pension Medical

Program is found in the following core budget(s): Blind Pension Medical

7c. Provide the number of clients/individuals served, if applicable.



7d. Provide a customer satisfaction measure, if available.

N/A

MHD Non-Count Transfers

DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN	
GR PHARMACY FRA TRANSFER									
CORE									
FUND TRANSFERS									
GENERAL REVENUE	32,899,563	0.00	38,737,111	0.00	38,737,111	0.00	0	0.00	
TOTAL - TRF	32,899,563	0.00	38,737,111	0.00	38,737,111	0.00	0	0.00	
TOTAL	32,899,563	0.00	38,737,111	0.00	38,737,111	0.00	0	0.00	
GRAND TOTAL	\$32,899,563	0.00	\$38,737,111	0.00	\$38,737,111	0.00	\$0	0.00	

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DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
PHARMACY FRA TRANSFER								
CORE								
FUND TRANSFERS								
PHARMACY REIMBURSEMENT ALLOWAN	32,899,563	0.00	38,737,111	0.00	38,737,111	0.00	0	0.00
TOTAL - TRF	32,899,563	0.00	38,737,111	0.00	38,737,111	0.00	0	0.00
TOTAL	32,899,563	0.00	38,737,111	0.00	38,737,111	0.00	0	0.00
GRAND TOTAL	\$32,899,563	0.00	\$38,737,111	0.00	\$38,737,111	0.00	\$0	0.00

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DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
AMBULANCE SRV REIM ALLOW TRF								
CORE								
FUND TRANSFERS								
GENERAL REVENUE	6,951,570	0.00	18,236,543	0.00	18,236,543	0.00	0	0.00
TOTAL - TRF	6,951,570	0.00	18,236,543	0.00	18,236,543	0.00	0	0.00
TOTAL	6,951,570	0.00	18,236,543	0.00	18,236,543	0.00	0	0.00
GRAND TOTAL	\$6,951,570	0.00	\$18,236,543	0.00	\$18,236,543	0.00	\$0	0.00

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DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN	
<hr/>									
GR AMBULANCE SRV REIM ALL TRF									
CORE									
FUND TRANSFERS									
AMBULANCE SERVICE REIMB ALLOW	6,951,570	0.00	18,236,543	0.00	18,236,543	0.00	0	0.00	
TOTAL - TRF	6,951,570	0.00	18,236,543	0.00	18,236,543	0.00	0	0.00	
TOTAL	6,951,570	0.00	18,236,543	0.00	18,236,543	0.00	0	0.00	
<hr/>									
GRAND TOTAL	\$6,951,570	0.00	\$18,236,543	0.00	\$18,236,543	0.00	\$0	0.00	
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DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN	
IGT EXPEND TRANSFER									
CORE									
FUND TRANSFERS									
INTERGOVERNMENTAL TRANSFER	82,597,461	0.00	96,885,215	0.00	96,885,215	0.00	0	0.00	
TOTAL - TRF	82,597,461	0.00	96,885,215	0.00	96,885,215	0.00	0	0.00	
TOTAL	82,597,461	0.00	96,885,215	0.00	96,885,215	0.00	0	0.00	
Transfer Increase Authority - 1886037									
FUND TRANSFERS									
INTERGOVERNMENTAL TRANSFER	0	0.00	0	0.00	248,265	0.00	0	0.00	
TOTAL - TRF	0	0.00	0	0.00	248,265	0.00	0	0.00	
TOTAL	0	0.00	0	0.00	248,265	0.00	0	0.00	
GRAND TOTAL	\$82,597,461	0.00	\$96,885,215	0.00	\$97,133,480	0.00	\$0	0.00	

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DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
GR FRA-TRANSFER								
CORE								
FUND TRANSFERS								
GENERAL REVENUE	584,612,737	0.00	632,107,500	0.00	632,107,500	0.00	0	0.00
TOTAL - TRF	584,612,737	0.00	632,107,500	0.00	632,107,500	0.00	0	0.00
TOTAL	584,612,737	0.00	632,107,500	0.00	632,107,500	0.00	0	0.00
GRAND TOTAL	\$584,612,737	0.00	\$632,107,500	0.00	\$632,107,500	0.00	\$0	0.00

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DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
FED REIMBURSE ALLOW-TRANSFER								
CORE								
FUND TRANSFERS								
FEDERAL REIMBURSEMENT ALLOWANCE	584,612,737	0.00	632,107,500	0.00	632,107,500	0.00	0	0.00
TOTAL - TRF	584,612,737	0.00	632,107,500	0.00	632,107,500	0.00	0	0.00
TOTAL	584,612,737	0.00	632,107,500	0.00	632,107,500	0.00	0	0.00
GRAND TOTAL	\$584,612,737	0.00	\$632,107,500	0.00	\$632,107,500	0.00	\$0	0.00

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DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
GR NFFRA-TRANSFER								
CORE								
FUND TRANSFERS								
GENERAL REVENUE	188,586,337	0.00	210,950,510	0.00	210,950,510	0.00	0	0.00
TOTAL - TRF	188,586,337	0.00	210,950,510	0.00	210,950,510	0.00	0	0.00
TOTAL	188,586,337	0.00	210,950,510	0.00	210,950,510	0.00	0	0.00
GRAND TOTAL	\$188,586,337	0.00	\$210,950,510	0.00	\$210,950,510	0.00	\$0	0.00

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DECISION ITEM SUMMARY

Budget Unit								
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
NURSING FACILITY REIM-TRANSFER								
CORE								
FUND TRANSFERS								
NURSING FACILITY FED REIM ALLW	188,586,337	0.00	210,950,510	0.00	210,950,510	0.00	0	0.00
TOTAL - TRF	188,586,337	0.00	210,950,510	0.00	210,950,510	0.00	0	0.00
TOTAL	188,586,337	0.00	210,950,510	0.00	210,950,510	0.00	0	0.00
GRAND TOTAL	\$188,586,337	0.00	\$210,950,510	0.00	\$210,950,510	0.00	\$0	0.00

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DECISION ITEM SUMMARY

Budget Unit									
Decision Item	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****	
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED	
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN	
NURSING FACILITY QLTY-TRANSFER									
CORE									
FUND TRANSFERS									
NURSING FACILITY FED REIM ALLW	1,500,000	0.00	1,500,000	0.00	1,500,000	0.00	0	0.00	
TOTAL - TRF	1,500,000	0.00	1,500,000	0.00	1,500,000	0.00	0	0.00	
TOTAL	1,500,000	0.00	1,500,000	0.00	1,500,000	0.00	0	0.00	
GRAND TOTAL	\$1,500,000	0.00	\$1,500,000	0.00	\$1,500,000	0.00	\$0	0.00	

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CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: MHD Non-Count Transfers

Budget Units: 90535C, 90537C, 90581C, 90583C, 90570C, 90840C, 90845C, 90850C, 90855C, 90860C
HB Sections: 11.445, 11.450, 11.495, 11.500, 11.535, 11.560, 11.565, 11.570, 11.575, 11.580

1. CORE FINANCIAL SUMMARY

	FY 2017 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF	900,301,664		998,416,879	1,898,718,543
Total	900,301,664	0	998,416,879	1,898,718,543
FTE	0.00	0.00	0.00	0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds: Pharmacy Reimbursement Allowance Fund (0144)
Ambulance Service Reimbursement Allowance Fund (0958)
DSS Intergovernmental Transfer Fund (0139)
Federal Reimbursement Allowance Fund (0142)
Nursing Facility Reimbursement Allowance Fund (0196)

	FY 2017 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0
FTE				0.00

Est. Fringe	0	0	0	0
<i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i>				

Other Funds:

2. CORE DESCRIPTION

This authority provides multiple non-counted transfers between funds. Federal regulation requires states to establish that they have sufficient state dollars available in order to draw down the federal matching dollars. These transfers are used for that purpose.

3. PROGRAM LISTING (list programs included in this core funding)

Pharmacy Reimbursement Allowance Transfer
Ambulance Service Reimbursement Allowance Transfer
Intergovernmental Transfer
Federal Reimbursement Allowance Transfer
Nursing Facility Reimbursement Allowance Transfer
Nursing Facility Quality of Care Fund Transfer

CORE DECISION ITEM

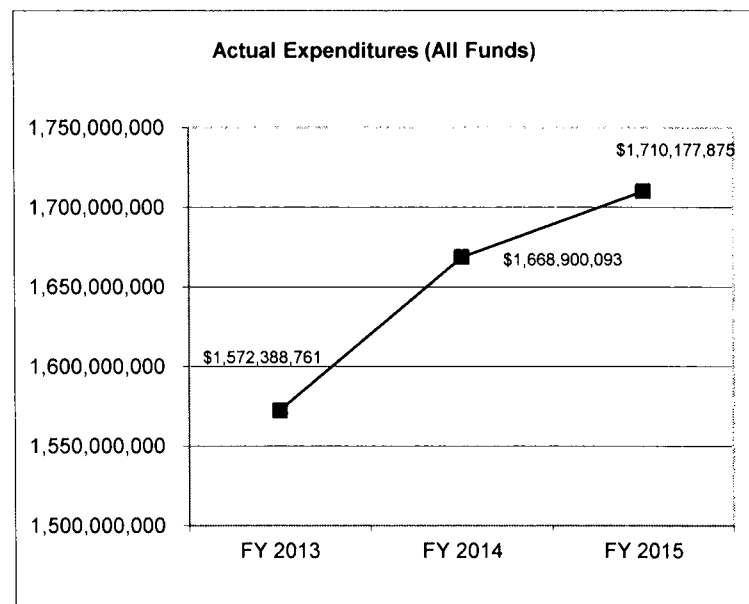
Department: Social Services
Division: MO HealthNet
Core: MHD Non-Count Transfers

Budget Units: 90535C, 90537C, 90581C, 90583C, 90570C, 90840C, 90845C, 90850C, 90855C, 90860C
HB Sections: 11.445, 11.450, 11.495, 11.500, 11.535, 11.560, 11.565, 11.570, 11.575, 11.580

4. FINANCIAL HISTORY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Current Yr.
Appropriation (All Funds)	1,577,908,893	1,708,972,900	1,797,514,013	1,898,448,543
Less Reverted (All Funds)	0	0	0	N/A
Less Restricted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	1,577,908,893	1,708,972,900	1,797,514,013	N/A
Actual Expenditures (All Funds)	1,572,388,761	1,668,900,093	1,710,177,875	N/A
Unexpended (All Funds)	5,520,132	40,072,807	87,336,138	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A

(1)



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY13 Estimated appropriation or "E" status removed.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES
GR PHARMACY FRA TRANSFER

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	TRF	0.00	38,737,111	0	0	38,737,111	
	Total	0.00	38,737,111	0	0	38,737,111	
DEPARTMENT CORE REQUEST							
	TRF	0.00	38,737,111	0	0	38,737,111	
	Total	0.00	38,737,111	0	0	38,737,111	
GOVERNOR'S RECOMMENDED CORE							
	TRF	0.00	38,737,111	0	0	38,737,111	
	Total	0.00	38,737,111	0	0	38,737,111	

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES PHARMACY FRA TRANSFER

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	TRF	0.00	0	0	38,737,111	38,737,111	
	Total	0.00	0	0	38,737,111	38,737,111	
DEPARTMENT CORE REQUEST							
	TRF	0.00	0	0	38,737,111	38,737,111	
	Total	0.00	0	0	38,737,111	38,737,111	
GOVERNOR'S RECOMMENDED CORE							
	TRF	0.00	0	0	38,737,111	38,737,111	
	Total	0.00	0	0	38,737,111	38,737,111	

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES
AMBULANCE SRV REIM ALLOW TRF

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	TRF	0.00	18,236,543	0	0	18,236,543	
	Total	0.00	18,236,543	0	0	18,236,543	
DEPARTMENT CORE REQUEST							
	TRF	0.00	18,236,543	0	0	18,236,543	
	Total	0.00	18,236,543	0	0	18,236,543	
GOVERNOR'S RECOMMENDED CORE							
	TRF	0.00	18,236,543	0	0	18,236,543	
	Total	0.00	18,236,543	0	0	18,236,543	

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
GR AMBULANCE SRV REIM ALL TRF**

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	TRF	0.00	0	0	18,236,543	18,236,543	
	Total	0.00	0	0	18,236,543	18,236,543	
DEPARTMENT CORE REQUEST							
	TRF	0.00	0	0	18,236,543	18,236,543	
	Total	0.00	0	0	18,236,543	18,236,543	
GOVERNOR'S RECOMMENDED CORE							
	TRF	0.00	0	0	18,236,543	18,236,543	
	Total	0.00	0	0	18,236,543	18,236,543	

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES IGT EXPEND TRANSFER

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	TRF	0.00	0	0	96,885,215	96,885,215	
	Total	0.00	0	0	96,885,215	96,885,215	
DEPARTMENT CORE REQUEST							
	TRF	0.00	0	0	96,885,215	96,885,215	
	Total	0.00	0	0	96,885,215	96,885,215	
GOVERNOR'S RECOMMENDED CORE							
	TRF	0.00	0	0	96,885,215	96,885,215	
	Total	0.00	0	0	96,885,215	96,885,215	

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES
GR FRA-TRANSFER

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	TRF	0.00	632,107,500	0	0	632,107,500	
	Total	0.00	632,107,500	0	0	632,107,500	
DEPARTMENT CORE REQUEST							
	TRF	0.00	632,107,500	0	0	632,107,500	
	Total	0.00	632,107,500	0	0	632,107,500	
GOVERNOR'S RECOMMENDED CORE							
	TRF	0.00	632,107,500	0	0	632,107,500	
	Total	0.00	632,107,500	0	0	632,107,500	

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
FED REIMBURSE ALLOW-TRANSFER**

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	TRF	0.00	0	0	632,107,500	632,107,500	
	Total	0.00	0	0	632,107,500	632,107,500	
DEPARTMENT CORE REQUEST							
	TRF	0.00	0	0	632,107,500	632,107,500	
	Total	0.00	0	0	632,107,500	632,107,500	
GOVERNOR'S RECOMMENDED CORE							
	TRF	0.00	0	0	632,107,500	632,107,500	
	Total	0.00	0	0	632,107,500	632,107,500	

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES

GR NFFRA-TRANSFER

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	TRF	0.00	210,950,510	0	0	210,950,510	
	Total	0.00	210,950,510	0	0	210,950,510	
DEPARTMENT CORE REQUEST							
	TRF	0.00	210,950,510	0	0	210,950,510	
	Total	0.00	210,950,510	0	0	210,950,510	
GOVERNOR'S RECOMMENDED CORE							
	TRF	0.00	210,950,510	0	0	210,950,510	
	Total	0.00	210,950,510	0	0	210,950,510	

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
NURSING FACILITY REIM-TRANSFER**

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	TRF	0.00	0	0	210,950,510	210,950,510	
	Total	0.00	0	0	210,950,510	210,950,510	
DEPARTMENT CORE REQUEST							
	TRF	0.00	0	0	210,950,510	210,950,510	
	Total	0.00	0	0	210,950,510	210,950,510	
GOVERNOR'S RECOMMENDED CORE							
	TRF	0.00	0	0	210,950,510	210,950,510	
	Total	0.00	0	0	210,950,510	210,950,510	

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES NURSING FACILITY QLTY-TRANSFER

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	TRF	0.00	0	0	1,500,000	1,500,000	
	Total	0.00	0	0	1,500,000	1,500,000	
DEPARTMENT CORE REQUEST							
	TRF	0.00	0	0	1,500,000	1,500,000	
	Total	0.00	0	0	1,500,000	1,500,000	
GOVERNOR'S RECOMMENDED CORE							
	TRF	0.00	0	0	1,500,000	1,500,000	
	Total	0.00	0	0	1,500,000	1,500,000	

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
GR PHARMACY FRA TRANSFER								
CORE								
TRANSFERS OUT	32,899,563	0.00	38,737,111	0.00	38,737,111	0.00	0	0.00
TOTAL - TRF	32,899,563	0.00	38,737,111	0.00	38,737,111	0.00	0	0.00
GRAND TOTAL	\$32,899,563	0.00	\$38,737,111	0.00	\$38,737,111	0.00	\$0	0.00
GENERAL REVENUE	\$32,899,563	0.00	\$38,737,111	0.00	\$38,737,111	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
PHARMACY FRA TRANSFER								
CORE								
TRANSFERS OUT	32,899,563	0.00	38,737,111	0.00	38,737,111	0.00	0	0.00
TOTAL - TRF	32,899,563	0.00	38,737,111	0.00	38,737,111	0.00	0	0.00
GRAND TOTAL	\$32,899,563	0.00	\$38,737,111	0.00	\$38,737,111	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$32,899,563	0.00	\$38,737,111	0.00	\$38,737,111	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
AMBULANCE SRV REIM ALLOW TRF								
CORE								
TRANSFERS OUT	6,951,570	0.00	18,236,543	0.00	18,236,543	0.00	0	0.00
TOTAL - TRF	6,951,570	0.00	18,236,543	0.00	18,236,543	0.00	0	0.00
GRAND TOTAL	\$6,951,570	0.00	\$18,236,543	0.00	\$18,236,543	0.00	\$0	0.00
GENERAL REVENUE	\$6,951,570	0.00	\$18,236,543	0.00	\$18,236,543	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
<hr/>								
GR AMBULANCE SRV REIM ALL TRF								
CORE								
TRANSFERS OUT	6,951,570	0.00	18,236,543	0.00	18,236,543	0.00	0	0.00
TOTAL - TRF	6,951,570	0.00	18,236,543	0.00	18,236,543	0.00	0	0.00
GRAND TOTAL	\$6,951,570	0.00	\$18,236,543	0.00	\$18,236,543	0.00	\$0	0.00
<hr/>								
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$6,951,570	0.00	\$18,236,543	0.00	\$18,236,543	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
IGT EXPEND TRANSFER								
CORE								
TRANSFERS OUT	82,597,461	0.00	96,885,215	0.00	96,885,215	0.00	0	0.00
TOTAL - TRF	82,597,461	0.00	96,885,215	0.00	96,885,215	0.00	0	0.00
GRAND TOTAL	\$82,597,461	0.00	\$96,885,215	0.00	\$96,885,215	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$82,597,461	0.00	\$96,885,215	0.00	\$96,885,215	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
GR FRA-TRANSFER								
CORE								
TRANSFERS OUT	584,612,737	0.00	632,107,500	0.00	632,107,500	0.00	0	0.00
TOTAL - TRF	584,612,737	0.00	632,107,500	0.00	632,107,500	0.00	0	0.00
GRAND TOTAL	\$584,612,737	0.00	\$632,107,500	0.00	\$632,107,500	0.00	\$0	0.00
GENERAL REVENUE	\$584,612,737	0.00	\$632,107,500	0.00	\$632,107,500	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
FED REIMBURSE ALLOW-TRANSFER								
CORE								
TRANSFERS OUT	584,612,737	0.00	632,107,500	0.00	632,107,500	0.00	0	0.00
TOTAL - TRF	584,612,737	0.00	632,107,500	0.00	632,107,500	0.00	0	0.00
GRAND TOTAL	\$584,612,737	0.00	\$632,107,500	0.00	\$632,107,500	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$584,612,737	0.00	\$632,107,500	0.00	\$632,107,500	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
GR NFFRA-TRANSFER								
CORE								
TRANSFERS OUT	188,586,337	0.00	210,950,510	0.00	210,950,510	0.00	0	0.00
TOTAL - TRF	188,586,337	0.00	210,950,510	0.00	210,950,510	0.00	0	0.00
GRAND TOTAL	\$188,586,337	0.00	\$210,950,510	0.00	\$210,950,510	0.00	\$0	0.00
GENERAL REVENUE	\$188,586,337	0.00	\$210,950,510	0.00	\$210,950,510	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
NURSING FACILITY REIM-TRANSFER								
CORE								
TRANSFERS OUT	188,586,337	0.00	210,950,510	0.00	210,950,510	0.00	0	0.00
TOTAL - TRF	188,586,337	0.00	210,950,510	0.00	210,950,510	0.00	0	0.00
GRAND TOTAL	\$188,586,337	0.00	\$210,950,510	0.00	\$210,950,510	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$188,586,337	0.00	\$210,950,510	0.00	\$210,950,510	0.00		0.00

DECISION ITEM DETAIL

Budget Unit	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	*****	*****
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
NURSING FACILITY QLTY-TRANSFER								
CORE								
TRANSFERS OUT	1,500,000	0.00	1,500,000	0.00	1,500,000	0.00	0	0.00
TOTAL - TRF	1,500,000	0.00	1,500,000	0.00	1,500,000	0.00	0	0.00
GRAND TOTAL	\$1,500,000	0.00	\$1,500,000	0.00	\$1,500,000	0.00	\$0	0.00
GENERAL REVENUE	\$0	0.00	\$0	0.00	\$0	0.00		0.00
FEDERAL FUNDS	\$0	0.00	\$0	0.00	\$0	0.00		0.00
OTHER FUNDS	\$1,500,000	0.00	\$1,500,000	0.00	\$1,500,000	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services

Program Name: MHD Non-Count Transfers

Program is found in the following core budget(s): multiple HB sections

HB Section: 11.445, 11.450, 11.495, 11.500, 11.535, 11.560,
11.565, 11.570, 11.575, 11.580

1. What does this program do?

Reimbursement Allowance Transfers

Federal Medicaid regulation requires states to establish they have sufficient state dollars available in order to receive federal Medicaid matching funds. The following transfers are used as accounting mechanisms to meet this requirement:

- Pharmacy Reimbursement Allowance Transfer
- Ambulance Service Reimbursement Allowance Transfer
- Federal Reimbursement Allowance Transfer
- Nursing Facility Reimbursement Allowance Transfer

NOTE: The provider assessment programs listed above have been reauthorized by the General Assembly through June 30, 2016.

Intergovernmental Transfer

State and local governmental units (including public providers) are authorized to transfer to the state Medicaid agency the non-federal share of Medicaid payments. The amounts transferred are used as the state match to earn federal Medicaid matching funds. These transfers are called intergovernmental transfers (IGTs) and maximize eligible state resources for federal Medicaid funds, utilizing current state and local funding sources as match for services.

Nursing Facility Quality of Care Fund Transfer

In accordance with section 198.418.1, RSMo, funding is transferred from the Nursing Facility Federal Reimbursement Allowance Fund to the Nursing Facility Quality of Care Fund to be used by the Department of Health and Senior Services (upon appropriation) for conducting inspections and surveys and providing training and technical assistance to facilities licensed under the provisions of Chapter 198.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 198.418.1, 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and

3. Are there federal matching requirements? If yes, please explain.

No

4. Is this a federally mandated program? If yes, please explain.

No

PROGRAM DESCRIPTION

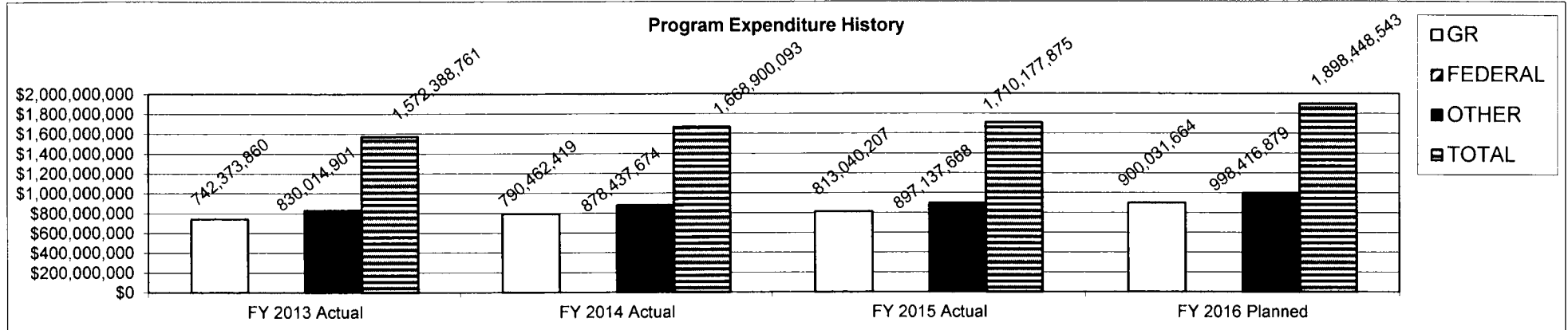
Department: Social Services

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11.565, 11.570, 11.575, 11.580

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

Pharmacy Reimbursement Allowance Fund (0144)
Ambulance Service Reimbursement Allowance Fund (0958)
DSS Intergovernmental Transfer Fund (0139)
Federal Reimbursement Allowance Fund (0142)
Nursing Facility Reimbursement Allowance Fund (0196)

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

N/A

PROGRAM DESCRIPTION

Department: Social Services

Program Name: MHD Non-Count Transfers

Program is found in the following core budget(s): multiple HB sections

HB Section: 11.445, 11.450, 11.495, 11.500, 11.535, 11.560,
11.565, 11.570, 11.575, 11.580

7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A